

1 AMENDMENT TO HOUSE BILL 1065

2 AMENDMENT NO. _____. Amend House Bill 1065 by replacing
3 the title with the following:

4 "AN ACT in relation to gaming."; and

5 by replacing everything after the enacting clause with the
6 following:

7 "Section 1. This Act shall be known and may be cited as
8 the "Illinois Urban Development Authority Act".

9 Section 2. The General Assembly hereby determines and
10 declares:

11 (a) That the economic burdens resulting from involuntary
12 unemployment fall in part upon the State in the form of
13 increased need for public assistance, reduced tax revenues
14 and increased resources devoted to crime prevention and
15 incarceration and that the unemployed worker and his family
16 may migrate outside the State to find work and such migration
17 will reduced tax revenues for local governments and the State
18 of Illinois, thereby endangering their financial ability to
19 support necessary governmental services for their remaining
20 inhabitants.

21 (b) That the State has a responsibility to help create a

1 favorable climate for new and improved job opportunities for
2 all of its citizens, especially in areas with high economic
3 distress, by encouraging the development of commercial and
4 service businesses and industrial and manufacturing plants
5 and creating job opportunities.

6 (c) That the State has a responsibility to increase and
7 improve post-release employment opportunities for
8 ex-offenders and reduce recidivism rates through the combined
9 resources and expertise of providers of workforce
10 development, supportive services and private enterprises.

11 (d) That a lack of decent housing contributes to urban
12 blight, crime, anti-social behavior, disease, a higher need
13 for public assistance, reduced tax revenues and the migration
14 of workers and their families away from areas which fail to
15 offer adequate, decent, affordable housing.

16 (e) That decent, affordable housing is a necessary
17 ingredient of life, affording each citizen basic human
18 dignity, a sense of self worth, confidence and a firm
19 foundation upon which to build a family and educate children.

20 (f) That in order to foster civic and neighborhood
21 pride, citizens require access to educational institutions,
22 recreation, parks and open spaces, entertainment and sports,
23 a reliable transportation network, cultural facilities and
24 theaters.

25 It is hereby declared to be the policy of the State of
26 Illinois to promote industrial, commercial, and residential
27 jobs, service, transportation and facilities, thereby
28 reducing the evils attendant upon unemployment, crime and
29 recidivism and enhancing the public health, safety, morals,
30 happiness and general welfare of this State, specifically by
31 making available through the Illinois Urban Development
32 Authority, hereinafter created, funds for industrial
33 projects, commercial projects, housing projects and projects,
34 as terms hereinafter defined, to a municipality with a

1 municipal poverty rate greater than 3% in excess of the
2 statewide average.

3 Section 3. The following terms, whenever used or referred
4 to in this Act, shall have the following meanings, except in
5 such instances where the context may clearly indicate
6 otherwise:

7 (a) "Authority" means the Illinois Urban Development
8 Authority created by this Act.

9 (b) "Governmental agency" means any federal, State or
10 local governmental body, and any agency or instrumentality
11 thereof, corporate or otherwise.

12 (c) "Person" means any natural person, firm,
13 partnership, corporation, both domestic and foreign, company,
14 association or joint stock association and includes any
15 trustee, receiver, assignee or personal representative
16 thereof.

17 (d) "Revenue bond" means any bond issued by the
18 Authority, the principal and interest of which is payable
19 solely from revenues or income derived from any project or
20 activity of the Authority.

21 (e) "Board" means the Illinois Urban Development
22 Authority Board of Directors.

23 (f) "Governor" means the Governor of the State of
24 Illinois.

25 (g) "City" means any city, village, incorporated town or
26 township.

27 (h) "Industrial project" means (1) a capital project,
28 including one or more buildings and other structures,
29 improvements, machinery and equipment whether or not on the
30 same site or sites now existing or hereafter acquired,
31 suitable for use by any manufacturing, industrial, research,
32 transportation or commercial enterprise, including but not
33 limited to use as a factory, mill, processing plant, assembly

1 plant, packaging plant, fabricating plant, office building,
2 industrial distribution center, warehouse, repair, overhaul
3 or service facility, freight terminal, research facility,
4 test facility, railroad facility, solid waste and wastewater
5 treatment and disposal site or other pollution control
6 facility, or resource or waste reduction, recovery, treatment
7 and disposal facility, and including also the sites thereof
8 and other rights in land therefor whether improved or
9 unimproved, site preparation and landscaping and all
10 appurtenances and facilities incidental thereto such as
11 utilities, access roads, railroad sidings, truck docking and
12 similar facilities, parking facilities, dockage, wharfage,
13 railroad roadbed, track, trestle, depot, terminal, switching
14 and signaling equipment or related equipment and other
15 improvements necessary or convenient thereto; or (2) any
16 land, buildings, machinery or equipment comprising an
17 addition to or renovation, rehabilitation or improvement of
18 any existing capital project.

19 (i) "Housing project" or "residential project" includes
20 a specific work or improvement undertaken to provide dwelling
21 accommodations, including the acquisition, construction,
22 leasing or rehabilitation of lands, buildings and community
23 facilities and in connection therewith to provide nonhousing
24 facilities which are an integral part of a planned
25 large-scale project or new community.

26 (j) "Commercial project" means any project, including
27 but not limited to one or more buildings and other
28 structures, improvements, machinery and equipment whether or
29 not on the same site or sites now existing or hereafter
30 acquired, suitable for use by any retail or wholesale
31 concern, distributorship or agency, any cultural facilities
32 of a for-profit or not-for-profit type, including but not
33 limited to educational, theatrical, recreational, and
34 entertainment, sports facilities, racetracks, stadiums,

1 convention centers, exhibition halls, arenas, opera houses
2 and theaters, waterfront improvements, swimming pools, boat
3 storage, moorage, docking facilities, restaurants, coliseums,
4 sports training facilities, parking facilities, terminals,
5 hotels and motels, gymnasiums, medical facilities and port
6 facilities.

7 (k) "Project" means an industrial, housing, residential,
8 commercial or service project or any combination thereof
9 provided that all uses shall fall within one of the
10 categories described above. Any project, of any nature
11 whatsoever, shall automatically include all site improvements
12 and new construction involving sidewalks, sewers, solid waste
13 and wastewater treatment and disposal sites and other
14 pollution control facilities, resource or waste reduction,
15 recovery, treatment and disposal facilities, parks, open
16 spaces, wildlife sanctuaries, streets, highways and runways.

17 (l) "Lease agreement" shall mean an agreement whereby a
18 project acquired by the Authority by purchase, gift or lease
19 is leased to any person or corporation which will use or
20 cause the project to be used as a project as heretofore
21 defined upon terms providing for lease rental payments at
22 least sufficient to pay when due all principal of and
23 interest and premium, if any, on any bonds, notes or other
24 evidences of indebtedness of the Authority issued with
25 respect to such project, providing for the maintenance,
26 insurance and operation of the project on terms satisfactory
27 to the Authority and providing for disposition of the project
28 upon termination of the lease term, including purchase
29 options or abandonment of the premises, with such other terms
30 as may be deemed desirable by the Authority. The Authority
31 may, directly or indirectly, lease or otherwise transfer
32 property the Authority owns to another and such leased
33 property shall remain tax exempt.

34 (m) "Loan agreement" means any agreement pursuant to

1 which the Authority agrees to loan the proceeds of its bonds,
2 notes or other evidences of indebtedness issued with respect
3 to a project to any person or corporation which will use or
4 cause the project to be used as a project as heretofore
5 defined upon terms providing for loan repayment installments
6 at least sufficient to pay when due all principal of and
7 interest and premium, if any, on any bonds, notes or other
8 evidences of indebtedness of the Authority issued with
9 respect to the project, providing for maintenance, insurance
10 and operation of the project on terms satisfactory to the
11 Authority and providing for other matters as may be deemed
12 advisable by the Authority.

13 (n) "Financial aid" means the expenditure of Authority
14 funds or funds provided by the Authority through the issuance
15 of its revenue bonds, notes or other evidences of
16 indebtedness for the development, construction, acquisition
17 or improvement of a project.

18 (o) "Costs incurred in connection with the development,
19 construction, acquisition or improvement of a project" means
20 the following: the cost of purchase and construction of all
21 lands and improvements in connection therewith and equipment
22 and other property, rights, easements and franchises
23 acquired which are deemed necessary for such construction;
24 financing charges; interest costs with respect to bonds,
25 notes and other evidences of indebtedness of the Authority
26 prior to and during construction and for a period of 6 months
27 thereafter; engineering and legal expenses; the costs of
28 plans, specifications, surveys and estimates of costs and
29 other expenses necessary or incident to determining the
30 feasibility or practicability of any project, together with
31 such other expenses as may be necessary or incident to the
32 financing, insuring, acquisition and construction of a
33 specific project and the placing of the same in operation.

34 (p) The term "bond" or "bonds" shall include bonds,

1 notes or other evidence of indebtedness.

2 (q) "Occupational license" means a license issued by the
3 Illinois Gaming Board to a person or entity to perform an
4 occupation which the Illinois Gaming Board has identified as
5 requiring a license to engage in riverboat, dockside, or
6 land-based gambling in Illinois.

7 (r) "Municipal poverty rate" is the percentage of total
8 population of such municipality having income levels below
9 the poverty level as determined by the Authority based upon
10 the most recent data released by the United States Census
11 Bureau before the beginning of such calendar year.

12 Section 4. There is hereby created a political
13 subdivision, body politic and corporate by the name and style
14 of Illinois Urban Development Authority. The exercise by the
15 Authority of the powers conferred by law shall be an
16 essential public function. The governing powers of the
17 Authority shall be vested in a body consisting of 11 members,
18 which are the Director of the Illinois Development Finance
19 Authority, the Director of the Illinois Housing Development
20 Authority, 2 members appointed by the Mayor of the City of
21 Chicago, 1 member appointed by the President of Cook County,
22 3 members appointed by the Governor who are residents of a
23 municipality, other than a municipality with a population
24 greater than 1,000,000, whose municipal poverty rate is more
25 than 3% in excess of the statewide average, and 3 members
26 appointed by the Governor that have an expertise, skill, and
27 experience in labor relations or that have an expertise,
28 skill, and experience operating a business that is certified
29 by the State of Illinois as a Disadvantaged Business
30 Enterprise, Minority Business Enterprise or Women Business
31 Enterprise.

32 Six members shall constitute a quorum. However, when a
33 quorum of members of the Authority is physically present at

1 the meeting site, other Authority members may participate in
2 and act at any meeting through the use of a conference
3 telephone or other communications equipment by means of which
4 all persons participating in the meeting can hear each other.
5 Participation in such meeting shall constitute attendance and
6 presence in person at the meeting of the person or persons so
7 participating. The Chairman of the Authority shall be elected
8 by the Authority. All board members shall be persons of
9 recognized ability and experience in one or more of the
10 following areas: economic development, finance, banking,
11 industrial development, small business management, real
12 estate development, community development, venture finance,
13 construction, and labor relations.

14 The terms of all members of the Authority shall begin 30
15 days after the effective date of this Act. Other than the
16 Director of the Illinois Housing Development Authority and
17 the Director of the Illinois Finance Development Authority,
18 of the other 9 members appointed pursuant to this Act, 3
19 shall serve until the third Monday in January 2004, 3 shall
20 serve until the third Monday in January 2005, and 3 shall
21 serve until the third Monday in January 2006. All board
22 members shall hold office for a term of 4 years, commencing
23 the third Monday in January of the year in which their terms
24 commence, except in case of an appointment to fill a vacancy.
25 In case of vacancy in the office when the Senate is not in
26 session, the Governor may make a temporary appointment until
27 the next meeting of the Senate when he or she shall nominate
28 such person to fill such office, and any person so nominated
29 who is confirmed by the Senate shall hold his or her office
30 during the remainder of the term and until his or her
31 successor shall be appointed and qualified. If the Senate is
32 not in session, the Governor may make temporary appointments
33 in the case of vacancies.

34 Members of the Authority shall not be entitled to

1 compensation for their services as members, but shall be
2 entitled to reimbursement for all necessary expenses incurred
3 in connection with the performance of their duties as
4 members. The Governor may remove any member of the Authority
5 in case of incompetency, neglect of duty, or malfeasance in
6 office, after service on him or her of a copy of the written
7 charges against him or her and an opportunity to be publicly
8 heard in person or by counsel in his or her own defense upon
9 not less than 10 days notice.

10 The members of the Authority shall appoint an Executive
11 Director who shall be a person knowledgeable in the areas of
12 financial markets and instruments and the financing of
13 business enterprises, to hold office during the pleasure of
14 the members. The Executive Director shall be the chief
15 administrative and operational officer of the Authority and
16 shall direct and supervise its administrative affairs and
17 general management and perform such other duties as may be
18 prescribed from time to time by the members and shall receive
19 compensation fixed by the Authority. The Executive Director
20 or any committee of the members may carry out such
21 responsibilities of the members as the members by resolution
22 may delegate. The Executive Director shall attend all
23 meetings of the Authority; however, no action of the
24 Authority shall be invalid on account of the absence of the
25 Executive Director from a meeting. The Authority may engage
26 the services of such other agents and employees, including
27 attorneys, appraisers, engineers, accountants, credit
28 analysts and other consultants, as it may deem advisable and
29 may prescribe their duties and fix their compensation.

30 The Authority shall determine the municipal poverty rate
31 and the statewide average municipal poverty rate annually by
32 utilizing the most recent data released by the United States
33 Census Bureau before the beginning of such calendar year. The
34 Authority shall have the sole and exclusive authority to

1 determine the municipal poverty rate and the statewide
2 average municipal poverty rate and determine whether a
3 municipality's poverty rate is greater than 3% in excess of
4 the statewide average so long as such determination is based
5 on the most recent data released by the United States Census
6 Bureau.

7 Section 5. Conflicts of Interest. Members or employees of
8 Authority; conflicting relations or interests; effects.

9 (a) No member of the Authority or officer, agent or
10 employee thereof shall, in his or her own name or in the name
11 of a nominee, be an officer, director or hold an ownership
12 interest of more than 7.5% in any person, association, trust,
13 corporation, partnership or other entity which is, in its own
14 name or in the name of a nominee, a party to a contract or
15 agreement upon which the member or officer, agent or employee
16 may be called upon to act or vote.

17 (b) With respect to any direct or any indirect interest,
18 other than an interest prohibited in subsection (a), in a
19 contract or agreement upon which the member or officer, agent
20 or employee may be called upon to act or vote, a member of
21 the Authority or officer, agent or employee thereof shall
22 disclose the same to the secretary of the Authority prior to
23 the taking of final action by the Authority concerning such
24 contract or agreement and shall so disclose the nature and
25 extent of such interest and his or her acquisition thereof,
26 which disclosures shall be publicly acknowledged by the
27 Authority and entered upon the minutes of the Authority. If a
28 member of the Authority or officer, agent or employee thereof
29 holds such an interest, then he or she shall refrain from any
30 further official involvement in regard to such contract or
31 agreement, from voting on any matter pertaining to such
32 contract or agreement, and from communicating with other
33 members of the Authority or its officers, agents and

1 employees concerning said contract or agreement.
2 Notwithstanding any other provision of law, any contract or
3 agreement entered into in conformity with this subsection (b)
4 shall not be void or invalid by reason of the interest
5 described in this subsection, nor shall any person so
6 disclosing the interest and refraining from further official
7 involvement as provided in this subsection be guilty of an
8 offense, be removed from office or be subject to any other
9 penalty on account of such interest.

10 (c) Any contract or agreement made in violation of
11 subsection (a) or (b) of this Section shall be null and void,
12 whether or not such contract performance has been authorized,
13 and shall give rise to no action against the Authority. No
14 real estate to which a member or employee of the Authority
15 holds legal title or in which such person has any beneficial
16 interest, including any interest in a land trust, shall be
17 purchased by the Authority or by a nonprofit corporation or
18 limited-profit entity for a development to be financed under
19 this Act.

20 All members and employees of the Authority shall file
21 annually with the Authority a record of all real estate in
22 this State of which such person holds legal title or in which
23 such person has any beneficial interest, including any
24 interest in a land trust. In the event it is later disclosed
25 that the Authority has purchased real estate in which a
26 member or employee had an interest, such purchase shall be
27 voidable by the Authority and the member or employee involved
28 shall be disqualified from membership in or employment by the
29 Authority.

30 Section 6. Records and reports of the Authority. The
31 secretary shall keep a record of the proceedings of the
32 Authority. The treasurer of the Authority shall be custodian
33 of all Authority funds, and shall be bonded in such amount as

1 the other members of the Authority may designate. The
2 accounts and bonds of the Authority shall be set up and
3 maintained in a manner approved by the Auditor General, and
4 the Authority shall file with the Auditor General a certified
5 annual report within 120 days after the close of its fiscal
6 year. The Authority shall also file with the Governor, the
7 Secretary of the Senate, the Clerk of the House of
8 Representatives, and the Illinois Commission on
9 Intergovernmental Cooperation, by March 1 of each year, a
10 written report covering its activities and any activities of
11 any instrumentality corporation established pursuant to this
12 Act for the previous fiscal year. In its report to be filed
13 by March 1, 2004, the Authority shall present an economic
14 development strategy for all municipalities with a municipal
15 poverty rate greater than 3% in excess of the statewide
16 average. The Authority shall make modifications in such
17 economic development strategy for the 4 years beginning on
18 the next ensuing July 1, to reflect changes in economic
19 conditions or other factors, including the policies of the
20 Authority and the State of Illinois. It also shall present an
21 economic development strategy for the fifth year beginning
22 after the next ensuing July 1. The strategy shall recommend
23 specific legislative and administrative action by the State,
24 the Authority, units of local government or other
25 governmental agencies. Such recommendations may include, but
26 are not limited to, new programs, modifications to existing
27 programs, credit enhancements for bonds issued by the
28 Authority, and amendments to this Act. When filed, such
29 report shall be a public record and open for inspection at
30 the offices of the Authority during normal business hours.

31 Section 7. All official acts of the Authority shall
32 require the approval of at least 6 members.

1 Section 8. Authority powers.

2 (a) The Authority possesses all the powers of a body
3 corporate necessary and convenient to accomplish the purposes
4 of this Act, including, without any limitation, except as
5 provided in Section 10, upon the general powers hereby
6 conferred, the following:

7 (1) to enter into loans, contracts, agreements and
8 mortgages in any matter connected with any of its
9 corporate purposes and to invest its funds;

10 (2) to sue and be sued;

11 (3) to employ agents and employees necessary to
12 carry out its purposes;

13 (4) to have and use a common seal and to alter the
14 same at its discretion;

15 (5) to adopt all needful ordinances, resolutions,
16 by-laws, rules and regulations for the conduct of its
17 business and affairs and for the management and use of
18 the projects developed, constructed, acquired and
19 improved in furtherance of its purposes;

20 (6) to designate the fiscal year for the Authority;

21 (7) to accept and expend appropriations;

22 (8) to maintain an office or offices at such place
23 as the Authority may designate;

24 (9) to employ, either as regular employees or as
25 independent contractors, such consultants, engineers,
26 architects, accountants, attorneys, financial experts,
27 construction experts and personnel, superintendents,
28 managers and other professional personnel, personnel, and
29 actors as may be necessary in the judgment of the
30 Authority, and to fix their compensation;

31 (10) to acquire, hold, lease, use, encumber,
32 transfer or dispose of real and personal property;

33 (11) to enter into contracts of any kind and execute
34 all instruments necessary or convenient with respect to

1 its carrying out the powers in this Act to accomplish the
2 purposes of the Authority;

3 (12) to fix and revise from time to time and charge
4 and collect rates, rents, fees or other charges for the
5 use of facilities or for services rendered in connection
6 with the facilities;

7 (13) to borrow money from any source for any
8 corporate purpose, including working capital for its
9 operations, reserve funds, or the payment of interest,
10 and to mortgage, pledge or otherwise encumber the
11 property or funds of the Authority and to contract with
12 or engage the services of any person in connection with
13 any financing, including financial institutions, issuers
14 of letters of credit, or insurers;

15 (14) to issue bonds or notes under this Act;

16 (15) to receive and accept from any source, private
17 or public, contributions, gifts or grants of money or
18 property;

19 (16) to make loans from proceeds or funds otherwise
20 available to the extent necessary or appropriate to
21 accomplish the purposes of the Authority;

22 (17) to exercise all the corporate powers granted to
23 Illinois corporations under the Business Corporation Act
24 of 1983, except to the extent that any such powers are
25 inconsistent with those of a body politic and corporate
26 of the State;

27 (18) to have and exercise all powers and be subject
28 to all duties usually incident to boards of directors of
29 corporations; and

30 (19) to do all things necessary or convenient to
31 carry out the powers granted by this Act.

32 (b) The Authority shall not issue any bonds relating to
33 the financing of a project located within the planning and
34 subdivision control jurisdiction of any municipality or

1 county unless notice, including a description of the proposed
2 project and the financing therefor, is submitted to the
3 corporate authorities of such municipality or, in the case of
4 a proposed project in an unincorporated area, to the county
5 board.

6 (c) If any of the powers set forth in this Act are
7 exercised within the jurisdictional limits of any
8 municipality, all ordinances of such municipality shall
9 remain in full force and effect and shall be controlling.

10 Section 9. Bonds and notes.

11 (a)(1) The Authority may, at any time and from time
12 to time, issue bonds and notes for any corporate purpose,
13 including the establishment of reserves and the payment
14 of interest. In this Act the term "bonds" includes notes
15 of any kind, interim certificates, refunding bonds or any
16 other evidence of obligation.

17 (2) The bonds of any issue shall be payable solely
18 from the property or receipts of the Authority,
19 including, without limitation: (I) fees, charges or other
20 revenues payable to the Authority; (II) payments by
21 financial institutions, insurance companies, or others
22 pursuant to letters or lines of credit, policies of
23 insurance, or purchase agreements; (III) investment
24 earnings from funds or accounts maintained pursuant to a
25 bond resolution or trust agreement; (IV) proceeds of
26 refunding bonds and (V) any and all appropriations
27 authorized by the General Assembly.

28 (3) Bonds shall be authorized by a resolution of the
29 Authority and may be secured by a trust agreement by and
30 between the Authority and a corporate trustee or
31 trustees, which may be any trust company or bank having
32 the powers of a trust company within or without the
33 State.

1 (4) Bonds shall:

2 (I) be issued at, above or below par value,
3 for cash or other valuable consideration, and mature
4 at time or times, whether as serial bonds or as term
5 bonds or both, not exceeding 35 years from their
6 respective date of issue; however, the length of the
7 term of the bond should bear a reasonable
8 relationship to the value life of the item financed;

9 (II) bear interest at the fixed or variable
10 rate or rates determined by the method provided in
11 the resolution or trust agreement;

12 (III) be payable at a time or times, in the
13 denominations and form, either coupon or registered
14 or both, and carry the registration and privileges
15 as to conversion and for the replacement of
16 mutilated, lost or destroyed bonds as the resolution
17 or trust agreement may provide;

18 (IV) be payable in lawful money of the United
19 States at a designated place;

20 (V) be subject to the terms of purchase,
21 payment, redemption, refunding or refinancing that
22 the resolution or trust agreement provides;

23 (VI) be executed by the manual or facsimile
24 signatures of the officers of the Authority
25 designated by the Authority, which signatures shall
26 be valid at delivery even for one who has ceased to
27 hold office; and

28 (VII) be sold in the manner and upon the terms
29 determined by the Authority.

30 (b) Any resolution or trust agreement may contain
31 provisions which shall be a part of the contract with the
32 holders of the bonds as to:

33 (1) pledging, assigning or directing the use,
34 investment or disposition of receipts of the Authority or

1 proceeds or benefits of any contract and conveying or
2 otherwise securing any property or property rights;

3 (2) the setting aside of loan funding deposits, debt
4 service reserves, capitalized interest accounts, cost of
5 issuance accounts and sinking funds, and the regulations,
6 investment and disposition thereof;

7 (3) limitations on the purpose to which or the
8 investments in which the proceeds of the sale of any
9 issue of bonds may be applied and restrictions to
10 investment of revenues or bond proceeds in government
11 obligations for which principal and interest are
12 unconditionally guaranteed by the United States of
13 America;

14 (4) limitations on the issue of additional bonds,
15 the terms upon which additional bonds may be issued and
16 secured, the terms upon which additional bonds may rank
17 on a parity with, or be subordinate or superior to, other
18 bonds;

19 (5) the refunding or refinancing of outstanding
20 bonds;

21 (6) the procedure, if any, by which the terms of any
22 contract with bondholders may be altered or amended and
23 the amount of bonds and holders of which must consent
24 thereto, and the manner in which consent shall be given;

25 (7) defining the acts or omissions which shall
26 constitute a default in the duties of the Authority to
27 holders of bonds and providing the rights or remedies of
28 such holders in the event of a default which may include
29 provisions restricting individual right of action by
30 bondholders;

31 (8) providing for guarantees, pledges of property,
32 letters of credit, or other security, or insurance for
33 the benefit of bondholders; and

34 (9) any other matter relating to the bonds which the

1 Authority determines appropriate.

2 (c) No member of the Authority nor any person executing
3 the bonds shall be liable personally on the bonds or subject
4 to any personal liability by reason of the issuance of the
5 bonds.

6 (d) The Authority may enter into agreements with agents,
7 banks, insurers or others for the purpose of enhancing the
8 marketability of or as security for its bonds.

9 (e)(1) A pledge by the Authority of revenues as security
10 for an issue of bonds shall be valid and binding from the
11 time when the pledge is made.

12 (2) The revenues pledged shall immediately be
13 subject to the lien of the pledge without any physical
14 delivery or further act, and the lien of any pledge shall
15 be valid and binding against any person having any claim
16 of any kind in tort, contract or otherwise against the
17 Authority, irrespective of whether the person has notice.

18 (3) No resolution, trust agreement or financing
19 statement, continuation statement, or other instrument
20 adopted or entered into by the Authority need be filed or
21 recorded in any public record other than the records of
22 the authority in order to perfect the lien against third
23 persons, regardless of any contrary provision of law.

24 (f) The Authority may issue bonds to refund any of its
25 bonds then outstanding, including the payment of any
26 redemption premium and any interest accrued or to accrue to
27 the earliest or any subsequent date of redemption, purchase
28 or maturity of the bonds. Refunding bonds may be issued for
29 the public purposes of realizing savings in the effective
30 costs of debt service, directly or through a debt
31 restructuring, for alleviating impending or actual default
32 and may be issued in one or more series in an amount in
33 excess of that of the bonds to be refunded.

34 (g) Bonds or notes of the Authority may be sold by the

1 Authority through the process of competitive bid or
2 negotiated sale.

3 (h) At no time shall the total outstanding bonds and
4 notes of the Authority exceed \$500 million exclusive of bonds
5 issued to refund outstanding bonds.

6 (i) The bonds and notes of the Authority shall not be
7 debts of the State, any unit of local government or any
8 political subdivision.

9 Section 10. Limitation.

10 (a) The Authority may issue its bonds or notes (including
11 refunding bond or notes) only if the financed project is
12 situated within the territorial jurisdiction of a
13 municipality whose poverty rate is greater than 3% in excess
14 of the statewide average.

15 (b) If a project is situated in two or more
16 municipalities where one such municipality has a municipal
17 poverty rate more than 3% in excess of the statewide average
18 and the other does not, the project shall be deemed to be
19 within such municipality whose municipal poverty rate is more
20 than 3% in excess of the statewide average.

21 Section 11. Legality for investment. Any financial
22 institution, investment company, insurance company or
23 association, and any personal representative, guardian,
24 trustee or other fiduciary, may legally invest any monies
25 belonging to them or within their control in any bonds issued
26 by the Authority.

27 Section 12. Tax exemption. The Authority shall not be
28 required to pay any taxes or assessments of any kind
29 whatsoever and its bonds, their transfer, the interest
30 payable on them, and any income derived from them shall be
31 exempt at the time of issuance and at all times from every

1 kind and nature of taxation by this State or by any of its
2 political subdivisions, municipal corporations, or public
3 agencies of any kind, except for estate, transfer and
4 inheritance taxes as provided in Section 13.

5 For purposes of Section 250 of the Illinois Income Tax
6 Act, the exemption of the income from bonds issued by the
7 Authority shall terminate after all of the bonds have been
8 paid. The amount of such income that shall be added and then
9 subtracted on the Illinois income tax return of a taxpayer,
10 pursuant to Section 203 of the Illinois Income Tax Act, from
11 federal adjusted gross income or federal taxable income in
12 computing Illinois base income shall be the interest net of
13 any bond premium amortization. The amount of such income that
14 shall be added and then subtracted on the Illinois income tax
15 return of a taxpayer, pursuant to Section 203 of the Illinois
16 Income Tax Act, from federal adjusted gross income or federal
17 taxable income in computing Illinois base income shall be the
18 interest net of any bond premium amortization.

19 Section 13. Additional powers and duties.

20 (a) The Authority may, but need not, acquire title to any
21 project with respect to which it exercises its authority.

22 (b) The Authority shall have the power to enter into
23 intergovernmental agreements with the State of Illinois, the
24 United States government and any agency or instrumentality of
25 the United States, any unit of local government or any other
26 unit of government to the extent allowed by Article VII,
27 Section 10 of the Illinois Constitution and the
28 Intergovernmental Cooperation Act.

29 (c) The Authority shall have the power to share employees
30 with other units of government, including agencies of the
31 United States, agencies of the State of Illinois and agencies
32 or personnel of any unit of local government.

33 (d) The Authority shall have the power to exercise powers

1 and issue bonds as if it were a municipality so authorized in
2 Divisions 12.1, 74, 74.1, 74.3, 74.4, and 74.5 of Article 11
3 of the Illinois Municipal Code.

4 Section 14. The Authority may by resolution designate any
5 portion of the State as an Enterprise Zone under the Illinois
6 Enterprise Zone Act in addition to any other enterprise zones
7 which may be created under the Illinois Enterprise Zone Act,
8 which area shall have all the privileges and rights of an
9 Enterprise Zone pursuant to the Illinois Enterprise Zone Act,
10 but which shall not be counted in determining the number of
11 Enterprise Zones to be created in any year pursuant to that
12 Act.

13 Section 15. The Authority may collect fees and charges
14 in connection with its loans, commitments and servicing and
15 provide technical assistance in the development of the
16 region.

17 Section 16. Annual Appropriation. The General Assembly
18 shall appropriate moneys annually as provided in subsection
19 (b-10) of Section 13 of the Riverboat Gambling Act into the
20 Illinois Urban Development Authority Fund, which is hereby
21 created as a special fund in the State Treasury. The
22 Authority may use moneys in the fund for the purposes
23 specified in this Act.

24 Section 75. The Illinois Horse Racing Act of 1975 is
25 amended by changing Sections 1.2, 3.11, 9, 20, 25, 26, 26.1,
26 27, 28.1, 30, 31, 36, and 42 and adding Sections 3.24, 3.25,
27 3.26, 3.27, 34.2, and 56 as follows:

28 (230 ILCS 5/1.2)

29 Sec. 1.2. Legislative intent. This Act is intended to

1 benefit the people of the State of Illinois by encouraging
2 the breeding and production of race horses, assisting
3 economic development, and promoting Illinois tourism. The
4 General Assembly finds and declares it to be the public
5 policy of the State of Illinois to:

6 (a) support and enhance Illinois' horse racing industry,
7 which is a significant component within the agribusiness
8 industry;

9 (b) ensure that Illinois' horse racing industry remains
10 competitive with neighboring states;

11 (c) stimulate growth within Illinois' horse racing
12 industry, thereby encouraging new investment and development
13 to produce additional tax revenues and to create additional
14 jobs;

15 (d) promote the further growth of tourism;

16 (e) encourage the breeding of thoroughbred and
17 standardbred horses in this State; and

18 (f) ensure that public confidence and trust in the
19 credibility and integrity of racing operations and the
20 regulatory process is maintained.

21 (Source: P.A. 91-40, eff. 6-25-99.)

22 (230 ILCS 5/3.11) (from Ch. 8, par. 37-3.11)

23 Sec. 3.11. "Organization licensee" means any person,
24 not-for-profit corporation, municipality, or legal authority
25 with bonding power created to promote tourism, receiving an
26 organization license from the Board to conduct a race meeting
27 or meetings.

28 (Source: P.A. 79-1185.)

29 (230 ILCS 5/3.24 new)

30 Sec. 3.24. "Adjusted gross receipts" means the gross
31 receipts from electronic gaming less winnings paid to
32 wagerers.

1 (230 ILCS 5/3.25 new)

2 Sec. 3.25. "Electronic gaming" means slot machine
3 gambling conducted at a race track pursuant to an electronic
4 gaming license.

5 (230 ILCS 5/3.26 new)

6 Sec. 3.26. "Electronic gaming license" means a license to
7 conduct electronic gaming issued under Section 56.

8 (230 ILCS 5/3.27 new)

9 Sec. 3.27. "Electronic gaming facility" means that
10 portion of an organization licensee's race track facility at
11 which electronic gaming is conducted.

12 (230 ILCS 5/9) (from Ch. 8, par. 37-9)

13 Sec. 9. The Board shall have all powers necessary and
14 proper to fully and effectively execute the provisions of
15 this Act, including, but not limited to, the following:

16 (a) The Board is vested with jurisdiction and
17 supervision over all race meetings in this State, over all
18 licensees doing business in this State, over all occupation
19 licensees, and over all persons on the facilities of any
20 licensee. Such jurisdiction shall include the power to issue
21 licenses to the Illinois Department of Agriculture
22 authorizing the pari-mutuel system of wagering on harness and
23 Quarter Horse races held (1) at the Illinois State Fair in
24 Sangamon County, and (2) at the DuQuoin State Fair in Perry
25 County. The jurisdiction of the Board shall also include the
26 power to issue licenses to county fairs which are eligible to
27 receive funds pursuant to the Agricultural Fair Act, as now
28 or hereafter amended, or their agents, authorizing the
29 pari-mutuel system of wagering on horse races conducted at
30 the county fairs receiving such licenses. Such licenses
31 shall be governed by subsection (n) of this Section.

1 Upon application, the Board shall issue a license to the
2 Illinois Department of Agriculture to conduct harness and
3 Quarter Horse races at the Illinois State Fair and at the
4 DuQuoin State Fairgrounds during the scheduled dates of each
5 fair. The Board shall not require and the Department of
6 Agriculture shall be exempt from the requirements of Sections
7 15.3, 18 and 19, paragraphs (a)(2), (b), (c), (d), (e),
8 (e-5), (e-10), (f), (g), and (h) of Section 20, and Sections
9 21, 24 and 25. The Board and the Department of Agriculture
10 may extend any or all of these exemptions to any contractor
11 or agent engaged by the Department of Agriculture to conduct
12 its race meetings when the Board determines that this would
13 best serve the public interest and the interest of horse
14 racing.

15 Notwithstanding any provision of law to the contrary, it
16 shall be lawful for any licensee to operate pari-mutuel
17 wagering or contract with the Department of Agriculture to
18 operate pari-mutuel wagering at the DuQuoin State Fairgrounds
19 or for the Department to enter into contracts with a
20 licensee, employ its owners, employees or agents and employ
21 such other occupation licensees as the Department deems
22 necessary in connection with race meetings and wagerings.

23 (b) The Board is vested with the full power to
24 promulgate reasonable rules and regulations for the purpose
25 of administering the provisions of this Act and to prescribe
26 reasonable rules, regulations and conditions under which all
27 horse race meetings or wagering in the State shall be
28 conducted. Such reasonable rules and regulations are to
29 provide for the prevention of practices detrimental to the
30 public interest and to promote the best interests of horse
31 racing and to impose penalties for violations thereof.

32 (c) The Board, and any person or persons to whom it
33 delegates this power, is vested with the power to enter the
34 facilities and other places of business of any licensee to

1 determine whether there has been compliance with the
2 provisions of this Act and its rules and regulations.

3 (d) The Board, and any person or persons to whom it
4 delegates this power, is vested with the authority to
5 investigate alleged violations of the provisions of this Act,
6 its reasonable rules and regulations, orders and final
7 decisions; the Board shall take appropriate disciplinary
8 action against any licensee or occupation licensee for
9 violation thereof or institute appropriate legal action for
10 the enforcement thereof.

11 (e) The Board, and any person or persons to whom it
12 delegates this power, may eject or exclude from any race
13 meeting or the facilities of any licensee, or any part
14 thereof, any occupation licensee or any other individual
15 whose conduct or reputation is such that his presence on
16 those facilities may, in the opinion of the Board, call into
17 question the honesty and integrity of horse racing or
18 wagering or interfere with the orderly conduct of horse
19 racing or wagering; provided, however, that no person shall
20 be excluded or ejected from the facilities of any licensee
21 solely on the grounds of race, color, creed, national origin,
22 ancestry, or sex. The power to eject or exclude an
23 occupation licensee or other individual may be exercised for
24 just cause by the licensee or the Board, subject to
25 subsequent hearing by the Board as to the propriety of said
26 exclusion.

27 (f) The Board is vested with the power to acquire,
28 establish, maintain and operate (or provide by contract to
29 maintain and operate) testing laboratories and related
30 facilities, for the purpose of conducting saliva, blood,
31 urine and other tests on the horses run or to be run in any
32 horse race meeting, including races run at county fairs, and
33 to purchase all equipment and supplies deemed necessary or
34 desirable in connection with any such testing laboratories

1 and related facilities and all such tests.

2 (g) The Board may require that the records, including
3 financial or other statements of any licensee or any person
4 affiliated with the licensee who is involved directly or
5 indirectly in the activities of any licensee as regulated
6 under this Act to the extent that those financial or other
7 statements relate to such activities be kept in such manner
8 as prescribed by the Board, and that Board employees shall
9 have access to those records during reasonable business
10 hours. Within 120 days of the end of its fiscal year, each
11 licensee shall transmit to the Board an audit of the
12 financial transactions and condition of the licensee's total
13 operations. All audits shall be conducted by certified
14 public accountants. Each certified public accountant must be
15 registered in the State of Illinois under the Illinois Public
16 Accounting Act. The compensation for each certified public
17 accountant shall be paid directly by the licensee to the
18 certified public accountant. A licensee shall also submit
19 any other financial or related information the Board deems
20 necessary to effectively administer this Act and all rules,
21 regulations, and final decisions promulgated under this Act.

22 (h) The Board shall name and appoint in the manner
23 provided by the rules and regulations of the Board: an
24 Executive Director; a State director of mutuels; State
25 veterinarians and representatives to take saliva, blood,
26 urine and other tests on horses; licensing personnel; revenue
27 inspectors; and State seasonal employees (excluding admission
28 ticket sellers and mutuel clerks). All of those named and
29 appointed as provided in this subsection shall serve during
30 the pleasure of the Board; their compensation shall be
31 determined by the Board and be paid in the same manner as
32 other employees of the Board under this Act.

33 (i) The Board shall require that there shall be 3
34 stewards at each horse race meeting, at least 2 of whom shall

1 be named and appointed by the Board. Stewards appointed or
2 approved by the Board, while performing duties required by
3 this Act or by the Board, shall be entitled to the same
4 rights and immunities as granted to Board members and Board
5 employees in Section 10 of this Act.

6 (j) The Board may discharge any Board employee who fails
7 or refuses for any reason to comply with the rules and
8 regulations of the Board, or who, in the opinion of the
9 Board, is guilty of fraud, dishonesty or who is proven to be
10 incompetent. The Board shall have no right or power to
11 determine who shall be officers, directors or employees of
12 any licensee, or their salaries except the Board may, by
13 rule, require that all or any officials or employees in
14 charge of or whose duties relate to the actual running of
15 races be approved by the Board.

16 (k) The Board is vested with the power to appoint
17 delegates to execute any of the powers granted to it under
18 this Section for the purpose of administering this Act and
19 any rules or regulations promulgated in accordance with this
20 Act.

21 (l) The Board is vested with the power to impose civil
22 penalties of up to \$5,000 against an individual and up to
23 \$10,000 against a licensee for each violation of any
24 provision of this Act, any rules adopted by the Board, any
25 order of the Board or any other action which, in the Board's
26 discretion, is a detriment or impediment to horse racing or
27 wagering.

28 (m) The Board is vested with the power to prescribe a
29 form to be used by licensees as an application for employment
30 for employees of each licensee.

31 (n) The Board shall have the power to issue a license to
32 any county fair, or its agent, authorizing the conduct of the
33 pari-mutuel system of wagering. The Board is vested with the
34 full power to promulgate reasonable rules, regulations and

1 conditions under which all horse race meetings licensed
2 pursuant to this subsection shall be held and conducted,
3 including rules, regulations and conditions for the conduct
4 of the pari-mutuel system of wagering. The rules,
5 regulations and conditions shall provide for the prevention
6 of practices detrimental to the public interest and for the
7 best interests of horse racing, and shall prescribe penalties
8 for violations thereof. Any authority granted the Board
9 under this Act shall extend to its jurisdiction and
10 supervision over county fairs, or their agents, licensed
11 pursuant to this subsection. However, the Board may waive
12 any provision of this Act or its rules or regulations which
13 would otherwise apply to such county fairs or their agents.

14 (o) Whenever the Board is authorized or required by law
15 to consider some aspect of criminal history record
16 information for the purpose of carrying out its statutory
17 powers and responsibilities, then, upon request and payment
18 of fees in conformance with the requirements of Section
19 2605-400 of the Department of State Police Law (20 ILCS
20 2605/2605-400), the Department of State Police is authorized
21 to furnish, pursuant to positive identification, such
22 information contained in State files as is necessary to
23 fulfill the request.

24 (p) To insure the convenience, comfort, and wagering
25 accessibility of race track patrons, to provide for the
26 maximization of State revenue, and to generate increases in
27 purse allotments to the horsemen, the Board shall require any
28 licensee to staff the pari-mutuel department with adequate
29 personnel.

30 (Source: P.A. 91-239, eff. 1-1-00.)

31 (230 ILCS 5/20) (from Ch. 8, par. 37-20)

32 Sec. 20. (a) Any person desiring to conduct a horse race
33 meeting may apply to the Board for an organization license.

1 The application shall be made on a form prescribed and
2 furnished by the Board. The application shall specify:

3 (1) the dates on which it intends to conduct the
4 horse race meeting, which dates shall be provided under
5 Section 21;

6 (2) the hours of each racing day between which it
7 intends to hold or conduct horse racing at such meeting;

8 (3) the location where it proposes to conduct the
9 meeting; and

10 (4) any other information the Board may reasonably
11 require.

12 (b) A separate application for an organization license
13 shall be filed for each horse race meeting which such person
14 proposes to hold. Any such application, if made by an
15 individual, or by any individual as trustee, shall be signed
16 and verified under oath by such individual. If made by
17 individuals or a partnership, it shall be signed and verified
18 under oath by at least 2 of such individuals or members of
19 such partnership as the case may be. If made by an
20 association, corporation, corporate trustee or any other
21 entity, it shall be signed by the president and attested by
22 the secretary or assistant secretary under the seal of such
23 association, trust or corporation if it has a seal, and shall
24 also be verified under oath by one of the signing officers.

25 (c) The application shall specify the name of the
26 persons, association, trust, or corporation making such
27 application and the post office address of the applicant; if
28 the applicant is a trustee, the names and addresses of the
29 beneficiaries; if a corporation, the names and post office
30 addresses of all officers, stockholders and directors; or if
31 such stockholders hold stock as a nominee or fiduciary, the
32 names and post office addresses of these persons,
33 partnerships, corporations, or trusts who are the beneficial
34 owners thereof or who are beneficially interested therein;

1 and if a partnership, the names and post office addresses of
2 all partners, general or limited; if the applicant is a
3 corporation, the name of the state of its incorporation shall
4 be specified.

5 (d) The applicant shall execute and file with the Board
6 a good faith affirmative action plan to recruit, train, and
7 upgrade minorities in all classifications within the
8 association.

9 (e) With such application there shall be delivered to
10 the Board a certified check or bank draft payable to the
11 order of the Board for an amount equal to \$1,000. All
12 applications for the issuance of an organization license
13 shall be filed with the Board before August 1 of the year
14 prior to the year for which application is made and shall be
15 acted upon by the Board at a meeting to be held on such date
16 as shall be fixed by the Board during the last 15 days of
17 September of such prior year. At such meeting, the Board
18 shall announce the award of the racing meets, live racing
19 schedule, and designation of host track to the applicants and
20 its approval or disapproval of each application. No
21 announcement shall be considered binding until a formal order
22 is executed by the Board, which shall be executed no later
23 than October 15 of that prior year. Absent the agreement of
24 the affected organization licensees, the Board shall not
25 grant overlapping race meetings to 2 or more tracks that are
26 within 100 miles of each other to conduct the thoroughbred
27 racing.

28 (e-2) In awarding racing dates for calendar year 2004
29 and thereafter, the Board shall award the same total number
30 of racing days as it awarded in calendar year 2003 plus an
31 amount as provided in subsection (e-3). In awarding racing
32 dates under this subsection (e-2), the Board shall have the
33 discretion to allocate those racing dates among organization
34 licensees.

1 (e-3) Upon request, the Board shall award at least 100
2 standardbred racing dates to the organization licensee that
3 conducts racing at Fairmount Race Track. Any racing dates
4 awarded under this subsection (e-3) to an organization
5 licensee that conducts racing at Fairmount Race Track that
6 are in excess of the number awarded to that organization
7 licensee in 2003 shall be in addition to those racing dates
8 awarded under subsection (e-2).

9 (e-5) In reviewing an application for the purpose of
10 granting an organization license consistent with the best
11 interests of the public and the sport of horse racing, the
12 Board shall consider:

13 (1) the character, reputation, experience, and
14 financial integrity of the applicant and of any other
15 separate person that either:

16 (i) controls the applicant, directly or
17 indirectly, or

18 (ii) is controlled, directly or indirectly, by
19 that applicant or by a person who controls, directly
20 or indirectly, that applicant;

21 (2) the applicant's facilities or proposed
22 facilities for conducting horse racing;

23 (3) the total revenue without regard to Section
24 32.1 to be derived by the State and horsemen from the
25 applicant's conducting a race meeting;

26 (4) the applicant's good faith affirmative action
27 plan to recruit, train, and upgrade minorities in all
28 employment classifications;

29 (5) the applicant's financial ability to purchase
30 and maintain adequate liability and casualty insurance;

31 (6) the applicant's proposed and prior year's
32 promotional and marketing activities and expenditures of
33 the applicant associated with those activities;

34 (7) an agreement, if any, among organization

1 licenses as provided in subsection (b) of Section 21 of
2 this Act; and

3 (8) the extent to which the applicant exceeds or
4 meets other standards for the issuance of an organization
5 license that the Board shall adopt by rule.

6 In granting organization licenses and allocating dates
7 for horse race meetings, the Board shall have discretion to
8 determine an overall schedule, including required simulcasts
9 of Illinois races by host tracks that will, in its judgment,
10 be conducive to the best interests of the public and the
11 sport of horse racing.

12 (e-10) The Illinois Administrative Procedure Act shall
13 apply to administrative procedures of the Board under this
14 Act for the granting of an organization license, except that
15 (1) notwithstanding the provisions of subsection (b) of
16 Section 10-40 of the Illinois Administrative Procedure Act
17 regarding cross-examination, the Board may prescribe rules
18 limiting the right of an applicant or participant in any
19 proceeding to award an organization license to conduct
20 cross-examination of witnesses at that proceeding where that
21 cross-examination would unduly obstruct the timely award of
22 an organization license under subsection (e) of Section 20 of
23 this Act; (2) the provisions of Section 10-45 of the Illinois
24 Administrative Procedure Act regarding proposals for decision
25 are excluded under this Act; (3) notwithstanding the
26 provisions of subsection (a) of Section 10-60 of the Illinois
27 Administrative Procedure Act regarding ex parte
28 communications, the Board may prescribe rules allowing ex
29 parte communications with applicants or participants in a
30 proceeding to award an organization license where conducting
31 those communications would be in the best interest of racing,
32 provided all those communications are made part of the record
33 of that proceeding pursuant to subsection (c) of Section
34 10-60 of the Illinois Administrative Procedure Act; (4) the

1 provisions of Section 14a of this Act and the rules of the
2 Board promulgated under that Section shall apply instead of
3 the provisions of Article 10 of the Illinois Administrative
4 Procedure Act regarding administrative law judges; and (5)
5 the provisions of subsection (d) of Section 10-65 of the
6 Illinois Administrative Procedure Act that prevent summary
7 suspension of a license pending revocation or other action
8 shall not apply.

9 (f) The Board may allot racing dates to an organization
10 licensee for more than one calendar year but for no more than
11 3 successive calendar years in advance, provided that the
12 Board shall review such allotment for more than one calendar
13 year prior to each year for which such allotment has been
14 made. The granting of an organization license to a person
15 constitutes a privilege to conduct a horse race meeting under
16 the provisions of this Act, and no person granted an
17 organization license shall be deemed to have a vested
18 interest, property right, or future expectation to receive an
19 organization license in any subsequent year as a result of
20 the granting of an organization license. Organization
21 licenses shall be subject to revocation if the organization
22 licensee has violated any provision of this Act or the rules
23 and regulations promulgated under this Act or has been
24 convicted of a crime or has failed to disclose or has stated
25 falsely any information called for in the application for an
26 organization license. Any organization license revocation
27 proceeding shall be in accordance with Section 16 regarding
28 suspension and revocation of occupation licenses.

29 (f-5) If, (i) an applicant does not file an acceptance
30 of the racing dates awarded by the Board as required under
31 part (1) of subsection (h) of this Section 20, or (ii) an
32 organization licensee has its license suspended or revoked
33 under this Act, the Board, upon conducting an emergency
34 hearing as provided for in this Act, may reaward on an

1 emergency basis pursuant to rules established by the Board,
2 racing dates not accepted or the racing dates associated with
3 any suspension or revocation period to one or more
4 organization licensees, new applicants, or any combination
5 thereof, upon terms and conditions that the Board determines
6 are in the best interest of racing, provided, the
7 organization licensees or new applicants receiving the
8 awarded racing dates file an acceptance of those reawarded
9 racing dates as required under paragraph (1) of subsection
10 (h) of this Section 20 and comply with the other provisions
11 of this Act. The Illinois Administrative Procedures Act
12 shall not apply to the administrative procedures of the Board
13 in conducting the emergency hearing and the reallocation of
14 racing dates on an emergency basis.

15 (g) (Blank).

16 (h) The Board shall send the applicant a copy of its
17 formally executed order by certified mail addressed to the
18 applicant at the address stated in his application, which
19 notice shall be mailed within 5 days of the date the formal
20 order is executed.

21 Each applicant notified shall, within 10 days after
22 receipt of the final executed order of the Board awarding
23 racing dates:

24 (1) file with the Board an acceptance of such award
25 in the form prescribed by the Board;

26 (2) pay to the Board an additional amount equal to
27 \$110 for each racing date awarded; and

28 (3) file with the Board the bonds required in
29 Sections 21 and 25 at least 20 days prior to the first
30 day of each race meeting.

31 Upon compliance with the provisions of paragraphs (1), (2),
32 and (3) of this subsection (h), the applicant shall be issued
33 an organization license.

34 If any applicant fails to comply with this Section or

1 fails to pay the organization license fees herein provided,
2 no organization license shall be issued to such applicant.
3 (Source: P.A. 91-40, eff. 6-25-99.)

4 (230 ILCS 5/25) (from Ch. 8, par. 37-25)

5 Sec. 25. Admissions tax; records and books; bond;
6 penalty.

7 (a) There shall be paid to the Board at such time or
8 times as it shall prescribe, the sum of fifteen cents (15¢)
9 for each person entering the grounds or enclosure of each
10 organization licensee and inter-track wagering licensee upon
11 a ticket of admission except as provided in subsection (g) of
12 Section 27 of this Act. If tickets are issued for more than
13 one day then the sum of fifteen cents (15¢) shall be paid for
14 each person using such ticket on each day that the same shall
15 be used. Provided, however, that no charge shall be made on
16 tickets of admission issued to and in the name of directors,
17 officers, agents or employees of the organization licensee,
18 or inter-track wagering licensee, or to owners, trainers,
19 jockeys, drivers and their employees or to any person or
20 persons entering the grounds or enclosure for the transaction
21 of business in connection with such race meeting. The
22 organization licensee or inter-track wagering licensee may,
23 if it desires, collect such amount from each ticket holder in
24 addition to the amount or amounts charged for such ticket of
25 admission.

26 (b) Accurate records and books shall at all times be kept
27 and maintained by the organization licensees and inter-track
28 wagering licensees showing the admission tickets issued and
29 used on each racing day and the attendance thereat of each
30 horse racing meeting. The Board or its duly authorized
31 representative or representatives shall at all reasonable
32 times have access to the admission records of any
33 organization licensee and inter-track wagering licensee for

1 the purpose of examining and checking the same and
2 ascertaining whether or not the proper amount has been or is
3 being paid the State of Illinois as herein provided. The
4 Board shall also require, before issuing any license, that
5 the licensee shall execute and deliver to it a bond, payable
6 to the State of Illinois, in such sum as it shall determine,
7 not, however, in excess of fifty thousand dollars (\$50,000),
8 with a surety or sureties to be approved by it, conditioned
9 for the payment of all sums due and payable or collected by
10 it under this Section upon admission fees received for any
11 particular racing meetings. The Board may also from time to
12 time require sworn statements of the number or numbers of
13 such admissions and may prescribe blanks upon which such
14 reports shall be made. Any organization licensee or
15 inter-track wagering licensee failing or refusing to pay the
16 amount found to be due as herein provided, shall be deemed
17 guilty of a business offense and upon conviction shall be
18 punished by a fine of not more than five thousand dollars
19 (\$5,000) in addition to the amount due from such organization
20 licensee or inter-track wagering licensee as herein provided.
21 All fines paid into court by an organization licensee or
22 inter-track wagering licensee found guilty of violating this
23 Section shall be transmitted and paid over by the clerk of
24 the court to the Board.

25 (c) In addition to the admission tax imposed under
26 subsection (a), a tax is imposed on admissions at the rate of
27 \$2 per person for the first 1,500,000 persons admitted by an
28 organization licensee per year and \$3 per person for all
29 persons admitted by that licensee in excess of 1,500,000 per
30 year. The tax is imposed upon the organization licensee.

31 (1) The admission tax shall be paid for each
32 admission.

33 (2) An organization licensee may issue tax-free
34 passes to actual and necessary officials and employees of

1 the licensee and other persons associated with race
2 meeting operations.

3 (3) The number and issuance of tax-free passes is
4 subject to the rules of the Board, and a list of all
5 persons to whom the tax-free passes are issued shall be
6 filed with the Board.

7 (4) The organization licensee shall pay the entire
8 admission tax to the Board. Such payments shall be made
9 daily. Accompanying each payment shall be a return on
10 forms provided by the Board, which shall include other
11 information regarding admission as the Board may require.
12 Failure to submit either the payment or the return within
13 the specified time may result in suspension or revocation
14 of the organization licensee's license.

15 (5) The Board shall administer and collect the
16 admission tax imposed by this subsection, to the extent
17 practicable, in a manner consistent with the provisions
18 of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 6, 6a, 6b,
19 6c, 8, 9, and 10 of the Retailers' Occupation Tax Act and
20 Section 3-7 of the Uniform Penalty and Interest Act. All
21 moneys collected by the Board shall be deposited into the
22 State Gaming Fund and shall be distributed as provided in
23 subsection (d).

24 (d) From the tax imposed under subsection (c), the
25 municipality in which an organization licensee's race track
26 is located or, if the race track is not located within a
27 municipality, the county in which the race track is located
28 shall receive, subject to appropriation, \$1 for each person
29 who enters the race track. For each admission in excess of
30 1,500,000 in a year, from the tax imposed under subsection
31 (c), the county in which the race track is located shall
32 receive, subject to appropriation, \$0.15, which shall be in
33 addition to any other moneys paid to the county under this
34 Section, and \$0.20 shall be paid into the Agricultural

1 Premium Fund and \$0.15 shall be paid into the Illinois Urban
2 Development Authority Fund.

3 (Source: P.A. 88-495; 89-16, eff. 5-30-95.)

4 (230 ILCS 5/26) (from Ch. 8, par. 37-26)

5 Sec. 26. Wagering.

6 (a) Any licensee may conduct and supervise the
7 pari-mutuel system of wagering, as defined in Section 3.12 of
8 this Act, on horse races conducted by an Illinois
9 organization licensee or conducted at a racetrack located in
10 another state or country and televised in Illinois in
11 accordance with subsection (g) of Section 26 of this Act.
12 Subject to the prior consent of the Board, licensees may
13 supplement any pari-mutuel pool in order to guarantee a
14 minimum distribution. Such pari-mutuel method of wagering
15 shall not, under any circumstances if conducted under the
16 provisions of this Act, be held or construed to be unlawful,
17 other statutes of this State to the contrary notwithstanding.
18 Subject to rules for advance wagering promulgated by the
19 Board, any licensee may accept wagers in advance of the day
20 of the race wagered upon occurs.

21 (b) Except as otherwise provided in Section 56, no other
22 method of betting, pool making, wagering or gambling shall be
23 used or permitted by the licensee. Each licensee may retain,
24 subject to the payment of all applicable taxes and purses, an
25 amount not to exceed 17% of all money wagered under
26 subsection (a) of this Section, except as may otherwise be
27 permitted under this Act.

28 (b-5) An individual may place a wager under the
29 pari-mutuel system from any licensed location authorized
30 under this Act provided that wager is electronically recorded
31 in the manner described in Section 3.12 of this Act. Any
32 wager made electronically by an individual while physically
33 on the premises of a licensee shall be deemed to have been

1 made at the premises of that licensee.

2 (c) Until January 1, 2000, the sum held by any licensee
3 for payment of outstanding pari-mutuel tickets, if unclaimed
4 prior to December 31 of the next year, shall be retained by
5 the licensee for payment of such tickets until that date.
6 Within 10 days thereafter, the balance of such sum remaining
7 unclaimed, less any uncashed supplements contributed by such
8 licensee for the purpose of guaranteeing minimum
9 distributions of any pari-mutuel pool, shall be paid to the
10 Illinois Veterans' Rehabilitation Fund of the State treasury,
11 except as provided in subsection (g) of Section 27 of this
12 Act.

13 (c-5) Beginning January 1, 2000, the sum held by any
14 licensee for payment of outstanding pari-mutuel tickets, if
15 unclaimed prior to December 31 of the next year, shall be
16 retained by the licensee for payment of such tickets until
17 that date. Within 10 days thereafter, the balance of such
18 sum remaining unclaimed, less any uncashed supplements
19 contributed by such licensee for the purpose of guaranteeing
20 minimum distributions of any pari-mutuel pool, shall be
21 evenly distributed to the purse account of the organization
22 licensee and the organization licensee.

23 (d) A pari-mutuel ticket shall be honored until December
24 31 of the next calendar year, and the licensee shall pay the
25 same and may charge the amount thereof against unpaid money
26 similarly accumulated on account of pari-mutuel tickets not
27 presented for payment.

28 (e) No licensee shall knowingly permit any minor, other
29 than an employee of such licensee or an owner, trainer,
30 jockey, driver, or employee thereof, to be admitted during a
31 racing program unless accompanied by a parent or guardian, or
32 any minor to be a patron of the pari-mutuel system of
33 wagering conducted or supervised by it. The admission of any
34 unaccompanied minor, other than an employee of the licensee

1 or an owner, trainer, jockey, driver, or employee thereof at
2 a race track is a Class C misdemeanor.

3 (f) Notwithstanding the other provisions of this Act, an
4 organization licensee may contract with an entity in another
5 state or country to permit any legal wagering entity in
6 another state or country to accept wagers solely within such
7 other state or country on races conducted by the organization
8 licensee in this State. Beginning January 1, 2000, these
9 wagers shall not be subject to State taxation. Until January
10 1, 2000, when the out-of-State entity conducts a pari-mutuel
11 pool separate from the organization licensee, a privilege tax
12 equal to 7 1/2% of all monies received by the organization
13 licensee from entities in other states or countries pursuant
14 to such contracts is imposed on the organization licensee,
15 and such privilege tax shall be remitted to the Department of
16 Revenue within 48 hours of receipt of the moneys from the
17 simulcast. When the out-of-State entity conducts a combined
18 pari-mutuel pool with the organization licensee, the tax
19 shall be 10% of all monies received by the organization
20 licensee with 25% of the receipts from this 10% tax to be
21 distributed to the county in which the race was conducted.

22 An organization licensee may permit one or more of its
23 races to be utilized for pari-mutuel wagering at one or more
24 locations in other states and may transmit audio and visual
25 signals of races the organization licensee conducts to one or
26 more locations outside the State or country and may also
27 permit pari-mutuel pools in other states or countries to be
28 combined with its gross or net wagering pools or with
29 wagering pools established by other states.

30 (g) A host track may accept interstate simulcast wagers
31 on horse races conducted in other states or countries and
32 shall control the number of signals and types of breeds of
33 racing in its simulcast program, subject to the disapproval
34 of the Board. The Board may prohibit a simulcast program

1 only if it finds that the simulcast program is clearly
2 adverse to the integrity of racing. The host track simulcast
3 program shall include the signal of live racing of all
4 organization licensees. All non-host licensees shall carry
5 the host track simulcast program and accept wagers on all
6 races included as part of the simulcast program upon which
7 wagering is permitted. The costs and expenses of the host
8 track and non-host licensees associated with interstate
9 simulcast wagering, other than the interstate commission fee,
10 shall be borne by the host track and all non-host licensees
11 incurring these costs. The interstate commission fee shall
12 not exceed 5% of Illinois handle on the interstate simulcast
13 race or races without prior approval of the Board. The Board
14 shall promulgate rules under which it may permit interstate
15 commission fees in excess of 5%. The interstate commission
16 fee and other fees charged by the sending racetrack,
17 including, but not limited to, satellite decoder fees, shall
18 be uniformly applied to the host track and all non-host
19 licensees.

20 (1) Between the hours of 6:30 a.m. and 6:30 p.m. an
21 intertrack wagering licensee other than the host track
22 may supplement the host track simulcast program with
23 additional simulcast races or race programs, provided
24 that between January 1 and the third Friday in February
25 of any year, inclusive, if no live thoroughbred racing is
26 occurring in Illinois during this period, only
27 thoroughbred races may be used for supplemental
28 interstate simulcast purposes. The Board shall withhold
29 approval for a supplemental interstate simulcast only if
30 it finds that the simulcast is clearly adverse to the
31 integrity of racing. A supplemental interstate simulcast
32 may be transmitted from an intertrack wagering licensee
33 to its affiliated non-host licensees. The interstate
34 commission fee for a supplemental interstate simulcast

1 shall be paid by the non-host licensee and its affiliated
2 non-host licensees receiving the simulcast.

3 (2) Between the hours of 6:30 p.m. and 6:30 a.m. an
4 intertrack wagering licensee other than the host track
5 may receive supplemental interstate simulcasts only with
6 the consent of the host track, except when the Board
7 finds that the simulcast is clearly adverse to the
8 integrity of racing. Consent granted under this
9 paragraph (2) to any intertrack wagering licensee shall
10 be deemed consent to all non-host licensees. The
11 interstate commission fee for the supplemental interstate
12 simulcast shall be paid by all participating non-host
13 licensees.

14 (3) Each licensee conducting interstate simulcast
15 wagering may retain, subject to the payment of all
16 applicable taxes and the purses, an amount not to exceed
17 17% of all money wagered. If any licensee conducts the
18 pari-mutuel system wagering on races conducted at
19 racetracks in another state or country, each such race or
20 race program shall be considered a separate racing day
21 for the purpose of determining the daily handle and
22 computing the privilege tax of that daily handle as
23 provided in subsection (a) of Section 27. Until January
24 1, 2000, from the sums permitted to be retained pursuant
25 to this subsection, each intertrack wagering location
26 licensee shall pay 1% of the pari-mutuel handle wagered
27 on simulcast wagering to the Horse Racing Tax Allocation
28 Fund, subject to the provisions of subparagraph (B) of
29 paragraph (11) of subsection (h) of Section 26 of this
30 Act.

31 (4) A licensee who receives an interstate simulcast
32 may combine its gross or net pools with pools at the
33 sending racetracks pursuant to rules established by the
34 Board. All licensees combining their gross pools at a

1 sending racetrack shall adopt the take-out percentages of
2 the sending racetrack. A licensee may also establish a
3 separate pool and takeout structure for wagering purposes
4 on races conducted at race tracks outside of the State of
5 Illinois. The licensee may permit pari-mutuel wagers
6 placed in other states or countries to be combined with
7 its gross or net wagering pools or other wagering pools.

8 (5) After the payment of the interstate commission
9 fee (except for the interstate commission fee on a
10 supplemental interstate simulcast, which shall be paid by
11 the host track and by each non-host licensee through the
12 host-track) and all applicable State and local taxes,
13 except as provided in subsection (g) of Section 27 of
14 this Act, the remainder of moneys retained from simulcast
15 wagering pursuant to this subsection (g), and Section
16 26.2 shall be divided as follows:

17 (A) For interstate simulcast wagers made at a
18 host track, 50% to the host track and 50% to purses
19 at the host track.

20 (B) For wagers placed on interstate simulcast
21 races, supplemental simulcasts as defined in
22 subparagraphs (1) and (2), and separately pooled
23 races conducted outside of the State of Illinois
24 made at a non-host licensee, 25% to the host track,
25 25% to the non-host licensee, and 50% to the purses
26 at the host track.

27 (6) Notwithstanding any provision in this Act to
28 the contrary, non-host licensees who derive their
29 licenses from a track located in a county with a
30 population in excess of 230,000 and that borders the
31 Mississippi River may receive supplemental interstate
32 simulcast races at all times subject to Board approval,
33 which shall be withheld only upon a finding that a
34 supplemental interstate simulcast is clearly adverse to

1 the integrity of racing.

2 (7) Notwithstanding any provision of this Act to
3 the contrary, after payment of all applicable State and
4 local taxes and interstate commission fees, non-host
5 licensees who derive their licenses from a track located
6 in a county with a population in excess of 230,000 and
7 that borders the Mississippi River shall retain 50% of
8 the retention from interstate simulcast wagers and shall
9 pay 50% to purses at the track from which the non-host
10 licensee derives its license as follows:

11 (A) Between January 1 and the third Friday in
12 February, inclusive, if no live thoroughbred racing
13 is occurring in Illinois during this period, when
14 the interstate simulcast is a standardbred race, the
15 purse share to its standardbred purse account;

16 (B) Between January 1 and the third Friday in
17 February, inclusive, if no live thoroughbred racing
18 is occurring in Illinois during this period, and the
19 interstate simulcast is a thoroughbred race, the
20 purse share to its interstate simulcast purse pool
21 to be distributed under paragraph (10) of this
22 subsection (g);

23 (C) Between January 1 and the third Friday in
24 February, inclusive, if live thoroughbred racing is
25 occurring in Illinois, between 6:30 a.m. and 6:30
26 p.m. the purse share from wagers made during this
27 time period to its thoroughbred purse account and
28 between 6:30 p.m. and 6:30 a.m. the purse share from
29 wagers made during this time period to its
30 standardbred purse accounts;

31 (D) Between the third Saturday in February and
32 December 31, when the interstate simulcast occurs
33 between the hours of 6:30 a.m. and 6:30 p.m., the
34 purse share to its thoroughbred purse account;

1 (E) Between the third Saturday in February and
2 December 31, when the interstate simulcast occurs
3 between the hours of 6:30 p.m. and 6:30 a.m., the
4 purse share to its standardbred purse account.

5 (7.1) Notwithstanding any other provision of this
6 Act to the contrary, if no standardbred racing is
7 conducted at a racetrack located in Madison County during
8 any calendar year beginning on or after January 1, 2002,
9 all moneys derived by that racetrack from simulcast
10 wagering and inter-track wagering that (1) are to be used
11 for purses and (2) are generated between the hours of
12 6:30 p.m. and 6:30 a.m. during that calendar year shall
13 be paid as follows:

14 (A) If the licensee that conducts horse racing
15 at that racetrack requests from the Board at least
16 as many racing dates as were conducted in calendar
17 year 2000, 80% shall be paid to its thoroughbred
18 purse account; and

19 (B) Twenty percent shall be deposited into the
20 Illinois Colt Stakes Purse Distribution Fund and
21 shall be paid to purses for standardbred races for
22 Illinois conceived and foaled horses conducted at
23 any county fairgrounds. The moneys deposited into
24 the Fund pursuant to this subparagraph (B) shall be
25 deposited within 2 weeks after the day they were
26 generated, shall be in addition to and not in lieu
27 of any other moneys paid to standardbred purses
28 under this Act, and shall not be commingled with
29 other moneys paid into that Fund. The moneys
30 deposited pursuant to this subparagraph (B) shall be
31 allocated as provided by the Department of
32 Agriculture, with the advice and assistance of the
33 Illinois Standardbred Breeders Fund Advisory Board.

34 (7.2) Notwithstanding any other provision of this

1 Act to the contrary, if no thoroughbred racing is
2 conducted at a racetrack located in Madison County during
3 any calendar year beginning on or after January 1, 2002,
4 all moneys derived by that racetrack from simulcast
5 wagering and inter-track wagering that (1) are to be used
6 for purses and (2) are generated between the hours of
7 6:30 a.m. and 6:30 p.m. during that calendar year shall
8 be deposited as follows:

9 (A) If the licensee that conducts horse racing
10 at that racetrack requests from the Board at least
11 as many racing dates as were conducted in calendar
12 year 2000, 80% shall be deposited into its
13 standardbred purse account; and

14 (B) Twenty percent shall be deposited into the
15 Illinois Colt Stakes Purse Distribution Fund.
16 Moneys deposited into the Illinois Colt Stakes Purse
17 Distribution Fund pursuant to this subparagraph (B)
18 shall be paid to Illinois conceived and foaled
19 thoroughbred breeders' programs and to thoroughbred
20 purses for races conducted at any county fairgrounds
21 for Illinois conceived and foaled horses at the
22 discretion of the Department of Agriculture, with
23 the advice and assistance of the Illinois
24 Thoroughbred Breeders Fund Advisory Board. The
25 moneys deposited into the Illinois Colt Stakes Purse
26 Distribution Fund pursuant to this subparagraph (B)
27 shall be deposited within 2 weeks after the day they
28 were generated, shall be in addition to and not in
29 lieu of any other moneys paid to thoroughbred purses
30 under this Act, and shall not be commingled with
31 other moneys deposited into that Fund.

32 (7.3) If no live standardbred racing is conducted
33 at a racetrack located in Madison County in calendar year
34 2000 or 2001, an organization licensee who is licensed to

1 conduct horse racing at that racetrack shall, before
2 January 1, 2002, pay all moneys derived from simulcast
3 wagering and inter-track wagering in calendar years 2000
4 and 2001 and paid into the licensee's standardbred purse
5 account as follows:

6 (A) Eighty percent to that licensee's
7 thoroughbred purse account to be used for
8 thoroughbred purses; and

9 (B) Twenty percent to the Illinois Colt Stakes
10 Purse Distribution Fund.

11 Failure to make the payment to the Illinois Colt
12 Stakes Purse Distribution Fund before January 1, 2002
13 shall result in the immediate revocation of the
14 licensee's organization license, inter-track wagering
15 license, and inter-track wagering location license.

16 Moneys paid into the Illinois Colt Stakes Purse
17 Distribution Fund pursuant to this paragraph (7.3) shall
18 be paid to purses for standardbred races for Illinois
19 conceived and foaled horses conducted at any county
20 fairgrounds. Moneys paid into the Illinois Colt Stakes
21 Purse Distribution Fund pursuant to this paragraph (7.3)
22 shall be used as determined by the Department of
23 Agriculture, with the advice and assistance of the
24 Illinois Standardbred Breeders Fund Advisory Board, shall
25 be in addition to and not in lieu of any other moneys
26 paid to standardbred purses under this Act, and shall not
27 be commingled with any other moneys paid into that Fund.

28 (7.4) If live standardbred racing is conducted at a
29 racetrack located in Madison County at any time in
30 calendar year 2001 before the payment required under
31 paragraph (7.3) has been made, the organization licensee
32 who is licensed to conduct racing at that racetrack shall
33 pay all moneys derived by that racetrack from simulcast
34 wagering and inter-track wagering during calendar years

1 2000 and 2001 that (1) are to be used for purses and (2)
2 are generated between the hours of 6:30 p.m. and 6:30
3 a.m. during 2000 or 2001 to the standardbred purse
4 account at that racetrack to be used for standardbred
5 purses.

6 (8) Notwithstanding any provision in this Act to
7 the contrary, an organization licensee from a track
8 located in a county with a population in excess of
9 230,000 and that borders the Mississippi River and its
10 affiliated non-host licensees shall not be entitled to
11 share in any retention generated on racing, inter-track
12 wagering, or simulcast wagering at any other Illinois
13 wagering facility.

14 (8.1) Notwithstanding any provisions in this Act to
15 the contrary, if 2 organization licensees are conducting
16 standardbred race meetings concurrently between the hours
17 of 6:30 p.m. and 6:30 a.m., after payment of all
18 applicable State and local taxes and interstate
19 commission fees, the remainder of the amount retained
20 from simulcast wagering otherwise attributable to the
21 host track and to host track purses shall be split daily
22 between the 2 organization licensees and the purses at
23 the tracks of the 2 organization licensees, respectively,
24 based on each organization licensee's share of the total
25 live handle for that day, provided that this provision
26 shall not apply to any non-host licensee that derives its
27 license from a track located in a county with a
28 population in excess of 230,000 and that borders the
29 Mississippi River.

30 (9) (Blank).

31 (10) (Blank).

32 (11) (Blank).

33 (12) The Board shall have authority to compel all
34 host tracks to receive the simulcast of any or all races

1 conducted at the Springfield or DuQuoin State fairgrounds
2 and include all such races as part of their simulcast
3 programs.

4 (13) (Blank). Notwithstanding--any-other-provision
5 of-this--Act,--in--the--event--that--the--total--Illinois
6 pari-mutuel---handle--on--Illinois--horse--races--at--all
7 wagering-facilities-in-any-calendar-year-is-less-than-75%
8 of-the-total--Illinois--pari-mutuel--handle--on--Illinois
9 horse--races-at-all-such-wagering-facilities-for-calendar
10 year-1994,--then--each-wagering-facility-that-has-an-annual
11 total-Illinois-pari-mutuel-handle-on-Illinois-horse-races
12 that-is-less-than-75%-of-the-total--Illinois--pari-mutuel
13 handle--on--Illinois-horse-races-at-such-wagering-facility
14 for-calendar-year-1994,--shall-be--permitted--to--receive,
15 from-any-amount-otherwise-payable-to-the-purse-account-at
16 the--race--track--with--which--the--wagering--facility-is
17 affiliated-in-the-succeeding--calendar--year,--an--amount
18 equal--to--2%--of--the--differential--in--total--Illinois
19 pari-mutuel---handle--on--Illinois--horse--races--at--the
20 wagering-facility-between-that-calendar-year-in--question
21 and--1994--provided,--however,--that--a-wagering-facility
22 shall-not-be-entitled-to-any-such-payment-until-the-Board
23 certifies-in-writing-to-the-wagering-facility-the--amount
24 to-which-the-wagering-facility-is-entitled-and-a-schedule
25 for-payment-of-the-amount-to-the-wagering-facility,--based
26 on:--(i)--the--racing--dates--awarded--to--the-race-track
27 affiliated--with--the--wagering---facility---during---the
28 succeeding--year;--(ii)--the-sums-available-or-anticipated
29 to-be-available-in-the-purse-account-of--the--race--track
30 affiliated--with--the-wagering-facility-for-purses-during
31 the--succeeding--year;--and--(iii)--the--need--to--ensure
32 reasonable-purse-levels-during-the--payment--period.--The
33 Board's--certification--shall--be--provided-no-later-than
34 January-31--of--the--succeeding--year.--In--the--event--a

1 wagering--facility--entitled--to--a--payment--under--this
2 paragraph--(13)--is--affiliated--with--a--race-track-that
3 maintains--purse--accounts--for--both--standardbred--and
4 thoroughbred--racing,--the--amount--to--be--paid--to--the
5 wagering--facility--shall--be--divided-between-each-purse
6 account-pro-rata,--based-on-the-amount-of-Illinois--handle
7 on--Illinois--standardbred--and--thoroughbred--racing
8 respectively-at-the-wagering-facility-during-the-previous
9 calendar--year.--Annually,--the--General--Assembly--shall
10 appropriate-sufficient-funds--from--the--General--Revenue
11 Fund--to--the--Department-of-Agriculture-for-payment-into
12 the-thoroughbred--and--standardbred--horse--racing--purse
13 accounts-at-Illinois-pari-mutuel-tracks.--The-amount-paid
14 to--each--purse--account-shall-be-the-amount-certified-by
15 the-Illinois-Racing-Board-in--January-to--be--transferred
16 from--each--account--to--each-eligible-racing-facility-in
17 accordance-with-the-provisions-of-this-Section.

18 (h) The Board may approve and license the conduct of
19 inter-track wagering and simulcast wagering by inter-track
20 wagering licensees and inter-track wagering location
21 licensees subject to the following terms and conditions:

- 22 (1) Any person licensed to conduct a race meeting
- 23 (i) at a track where 60 or more days of racing were
24 conducted during the immediately preceding calendar year
25 or where over the 5 immediately preceding calendar years
26 an average of 30 or more days of racing were conducted
27 annually may be issued an inter-track wagering license;
- 28 (ii) at a track located in a county that is bounded by
29 the Mississippi River, which has a population of less
30 than 150,000 according to the 1990 decennial census, and
31 an average of at least 60 days of racing per year between
32 1985 and 1993 may be issued an inter-track wagering
33 license; or (iii) at a track located in Madison County
34 that conducted at least 100 days of live racing during

1 the immediately preceding calendar year may be issued an
2 inter-track wagering license, unless a lesser schedule of
3 live racing is the result of (A) weather, unsafe track
4 conditions, or other acts of God; (B) an agreement
5 between the organization licensee and the associations
6 representing the largest number of owners, trainers,
7 jockeys, or standardbred drivers who race horses at that
8 organization licensee's racing meeting; or (C) a finding
9 by the Board of extraordinary circumstances and that it
10 was in the best interest of the public and the sport to
11 conduct fewer than 100 days of live racing. Any such
12 person having operating control of the racing facility
13 may also receive up to 6 inter-track wagering location
14 licenses. In no event shall more than 6 inter-track
15 wagering locations be established for each eligible race
16 track, except that an eligible race track located in a
17 county that has a population of more than 230,000 and
18 that is bounded by the Mississippi River may establish up
19 to 7 inter-track wagering locations. An application for
20 said license shall be filed with the Board prior to such
21 dates as may be fixed by the Board. With an application
22 for an inter-track wagering location license there shall
23 be delivered to the Board a certified check or bank draft
24 payable to the order of the Board for an amount equal to
25 \$500. The application shall be on forms prescribed and
26 furnished by the Board. The application shall comply
27 with all other rules, regulations and conditions imposed
28 by the Board in connection therewith.

29 (2) The Board shall examine the applications with
30 respect to their conformity with this Act and the rules
31 and regulations imposed by the Board. If found to be in
32 compliance with the Act and rules and regulations of the
33 Board, the Board may then issue a license to conduct
34 inter-track wagering and simulcast wagering to such

1 applicant. All such applications shall be acted upon by
2 the Board at a meeting to be held on such date as may be
3 fixed by the Board.

4 (3) In granting licenses to conduct inter-track
5 wagering and simulcast wagering, the Board shall give due
6 consideration to the best interests of the public, of
7 horse racing, and of maximizing revenue to the State.

8 (4) Prior to the issuance of a license to conduct
9 inter-track wagering and simulcast wagering, the
10 applicant shall file with the Board a bond payable to the
11 State of Illinois in the sum of \$50,000, executed by the
12 applicant and a surety company or companies authorized to
13 do business in this State, and conditioned upon (i) the
14 payment by the licensee of all taxes due under Section 27
15 or 27.1 and any other monies due and payable under this
16 Act, and (ii) distribution by the licensee, upon
17 presentation of the winning ticket or tickets, of all
18 sums payable to the patrons of pari-mutuel pools.

19 (5) Each license to conduct inter-track wagering
20 and simulcast wagering shall specify the person to whom
21 it is issued, the dates on which such wagering is
22 permitted, and the track or location where the wagering
23 is to be conducted.

24 (6) All wagering under such license is subject to
25 this Act and to the rules and regulations from time to
26 time prescribed by the Board, and every such license
27 issued by the Board shall contain a recital to that
28 effect.

29 (7) An inter-track wagering licensee or inter-track
30 wagering location licensee may accept wagers at the track
31 or location where it is licensed, or as otherwise
32 provided under this Act.

33 (8) Inter-track wagering or simulcast wagering
34 shall not be conducted at any track less than 5 miles

1 from a track at which a racing meeting is in progress.

2 (8.1) Inter-track wagering location licensees who
3 derive their licenses from a particular organization
4 licensee shall conduct inter-track wagering and simulcast
5 wagering only at locations which are either within 90
6 miles of that race track where the particular
7 organization licensee is licensed to conduct racing, or
8 within 135 miles of that race track where the particular
9 organization licensee is licensed to conduct racing in
10 the case of race tracks in counties of less than 400,000
11 that were operating on or before June 1, 1986. However,
12 inter-track wagering and simulcast wagering shall not be
13 conducted by those licensees at any location within 5
14 miles of any race track at which a horse race meeting has
15 been licensed in the current year, unless the person
16 having operating control of such race track has given its
17 written consent to such inter-track wagering location
18 licensees, which consent must be filed with the Board at
19 or prior to the time application is made.

20 (8.2) Inter-track wagering or simulcast wagering
21 shall not be conducted by an inter-track wagering
22 location licensee at any location within 500 feet of an
23 existing church or existing school, nor within 500 feet
24 of the residences of more than 50 registered voters
25 without receiving written permission from a majority of
26 the registered voters at such residences. Such written
27 permission statements shall be filed with the Board. The
28 distance of 500 feet shall be measured to the nearest
29 part of any building used for worship services, education
30 programs, residential purposes, or conducting inter-track
31 wagering by an inter-track wagering location licensee,
32 and not to property boundaries. However, inter-track
33 wagering or simulcast wagering may be conducted at a site
34 within 500 feet of a church, school or residences of 50

1 or more registered voters if such church, school or
2 residences have been erected or established, or such
3 voters have been registered, after the Board issues the
4 original inter-track wagering location license at the
5 site in question. Inter-track wagering location licensees
6 may conduct inter-track wagering and simulcast wagering
7 only in areas that are zoned for commercial or
8 manufacturing purposes or in areas for which a special
9 use has been approved by the local zoning authority.
10 However, no license to conduct inter-track wagering and
11 simulcast wagering shall be granted by the Board with
12 respect to any inter-track wagering location within the
13 jurisdiction of any local zoning authority which has, by
14 ordinance or by resolution, prohibited the establishment
15 of an inter-track wagering location within its
16 jurisdiction. However, inter-track wagering and
17 simulcast wagering may be conducted at a site if such
18 ordinance or resolution is enacted after the Board
19 licenses the original inter-track wagering location
20 licensee for the site in question.

21 (9) (Blank).

22 (10) An inter-track wagering licensee or an
23 inter-track wagering location licensee may retain,
24 subject to the payment of the privilege taxes and the
25 purses, an amount not to exceed 17% of all money wagered.
26 Each program of racing conducted by each inter-track
27 wagering licensee or inter-track wagering location
28 licensee shall be considered a separate racing day for
29 the purpose of determining the daily handle and computing
30 the privilege tax or pari-mutuel tax on such daily handle
31 as provided in Section 27.

32 (10.1) Except as provided in subsection (g) of
33 Section 27 of this Act, inter-track wagering location
34 licensees shall pay 1% of the pari-mutuel handle at each

1 location to the municipality in which such location is
2 situated and 1% of the pari-mutuel handle at each
3 location to the county in which such location is
4 situated. In the event that an inter-track wagering
5 location licensee is situated in an unincorporated area
6 of a county, such licensee shall pay 2% of the
7 pari-mutuel handle from such location to such county.

8 (10.2) Notwithstanding any other provision of this
9 Act, with respect to intertrack wagering at a race track
10 located in a county that has a population of more than
11 230,000 and that is bounded by the Mississippi River
12 ("the first race track"), or at a facility operated by an
13 inter-track wagering licensee or inter-track wagering
14 location licensee that derives its license from the
15 organization licensee that operates the first race track,
16 on races conducted at the first race track or on races
17 conducted at another Illinois race track and
18 simultaneously televised to the first race track or to a
19 facility operated by an inter-track wagering licensee or
20 inter-track wagering location licensee that derives its
21 license from the organization licensee that operates the
22 first race track, those moneys shall be allocated as
23 follows:

24 (A) That portion of all moneys wagered on
25 standardbred racing that is required under this Act
26 to be paid to purses shall be paid to purses for
27 standardbred races.

28 (B) That portion of all moneys wagered on
29 thoroughbred racing that is required under this Act
30 to be paid to purses shall be paid to purses for
31 thoroughbred races.

32 (11) (A) After payment of the privilege or
33 pari-mutuel tax, any other applicable taxes, and the
34 costs and expenses in connection with the gathering,

1 transmission, and dissemination of all data necessary to
2 the conduct of inter-track wagering, the remainder of the
3 monies retained under either Section 26 or Section 26.2
4 of this Act by the inter-track wagering licensee on
5 inter-track wagering shall be allocated with 50% to be
6 split between the 2 participating licensees and 50% to
7 purses, except that an intertrack wagering licensee that
8 derives its license from a track located in a county with
9 a population in excess of 230,000 and that borders the
10 Mississippi River shall not divide any remaining
11 retention with the Illinois organization licensee that
12 provides the race or races, and an intertrack wagering
13 licensee that accepts wagers on races conducted by an
14 organization licensee that conducts a race meet in a
15 county with a population in excess of 230,000 and that
16 borders the Mississippi River shall not divide any
17 remaining retention with that organization licensee.

18 (B) From the sums permitted to be retained pursuant
19 to this Act each inter-track wagering location licensee
20 shall pay (i) the privilege or pari-mutuel tax to the
21 State; (ii) 4.75% of the pari-mutuel handle on intertrack
22 wagering at such location on races as purses, except that
23 an intertrack wagering location licensee that derives its
24 license from a track located in a county with a
25 population in excess of 230,000 and that borders the
26 Mississippi River shall retain all purse moneys for its
27 own purse account consistent with distribution set forth
28 in this subsection (h), and intertrack wagering location
29 licensees that accept wagers on races conducted by an
30 organization licensee located in a county with a
31 population in excess of 230,000 and that borders the
32 Mississippi River shall distribute all purse moneys to
33 purses at the operating host track; (iii) until January
34 1, 2000, except as provided in subsection (g) of Section

1 27 of this Act, 1% of the pari-mutuel handle wagered on
2 inter-track wagering and simulcast wagering at each
3 inter-track wagering location licensee facility to the
4 Horse Racing Tax Allocation Fund, provided that, to the
5 extent the total amount collected and distributed to the
6 Horse Racing Tax Allocation Fund under this subsection
7 (h) during any calendar year exceeds the amount collected
8 and distributed to the Horse Racing Tax Allocation Fund
9 during calendar year 1994, that excess amount shall be
10 redistributed (I) to all inter-track wagering location
11 licensees, based on each licensee's pro-rata share of the
12 total handle from inter-track wagering and simulcast
13 wagering for all inter-track wagering location licensees
14 during the calendar year in which this provision is
15 applicable; then (II) the amounts redistributed to each
16 inter-track wagering location licensee as described in
17 subpart (I) shall be further redistributed as provided in
18 subparagraph (B) of paragraph (5) of subsection (g) of
19 this Section 26 provided first, that the shares of those
20 amounts, which are to be redistributed to the host track
21 or to purses at the host track under subparagraph (B) of
22 paragraph (5) of subsection (g) of this Section 26 shall
23 be redistributed based on each host track's pro rata
24 share of the total inter-track wagering and simulcast
25 wagering handle at all host tracks during the calendar
26 year in question, and second, that any amounts
27 redistributed as described in part (I) to an inter-track
28 wagering location licensee that accepts wagers on races
29 conducted by an organization licensee that conducts a
30 race meet in a county with a population in excess of
31 230,000 and that borders the Mississippi River shall be
32 further redistributed as provided in subparagraphs (D)
33 and (E) of paragraph (7) of subsection (g) of this
34 Section 26, with the portion of that further

1 redistribution allocated to purses at that organization
2 licensee to be divided between standardbred purses and
3 thoroughbred purses based on the amounts otherwise
4 allocated to purses at that organization licensee during
5 the calendar year in question; and (iv) 8% of the
6 pari-mutuel handle on inter-track wagering wagered at
7 such location to satisfy all costs and expenses of
8 conducting its wagering. The remainder of the monies
9 retained by the inter-track wagering location licensee
10 shall be allocated 40% to the location licensee and 60%
11 to the organization licensee which provides the Illinois
12 races to the location, except that an intertrack wagering
13 location licensee that derives its license from a track
14 located in a county with a population in excess of
15 230,000 and that borders the Mississippi River shall not
16 divide any remaining retention with the organization
17 licensee that provides the race or races and an
18 intertrack wagering location licensee that accepts wagers
19 on races conducted by an organization licensee that
20 conducts a race meet in a county with a population in
21 excess of 230,000 and that borders the Mississippi River
22 shall not divide any remaining retention with the
23 organization licensee. Notwithstanding the provisions of
24 clauses (ii) and (iv) of this paragraph, in the case of
25 the additional inter-track wagering location licenses
26 authorized under paragraph (1) of this subsection (h) by
27 this amendatory Act of 1991, those licensees shall pay
28 the following amounts as purses: during the first 12
29 months the licensee is in operation, 5.25% of the
30 pari-mutuel handle wagered at the location on races;
31 during the second 12 months, 5.25%; during the third 12
32 months, 5.75%; during the fourth 12 months, 6.25%; and
33 during the fifth 12 months and thereafter, 6.75%. The
34 following amounts shall be retained by the licensee to

1 satisfy all costs and expenses of conducting its
2 wagering: during the first 12 months the licensee is in
3 operation, 8.25% of the pari-mutuel handle wagered at the
4 location; during the second 12 months, 8.25%; during the
5 third 12 months, 7.75%; during the fourth 12 months,
6 7.25%; and during the fifth 12 months and thereafter,
7 6.75%. For additional intertrack wagering location
8 licensees authorized under this amendatory Act of 1995,
9 purses for the first 12 months the licensee is in
10 operation shall be 5.75% of the pari-mutuel wagered at
11 the location, purses for the second 12 months the
12 licensee is in operation shall be 6.25%, and purses
13 thereafter shall be 6.75%. For additional intertrack
14 location licensees authorized under this amendatory Act
15 of 1995, the licensee shall be allowed to retain to
16 satisfy all costs and expenses: 7.75% of the pari-mutuel
17 handle wagered at the location during its first 12 months
18 of operation, 7.25% during its second 12 months of
19 operation, and 6.75% thereafter.

20 (C) There is hereby created the Horse Racing Tax
21 Allocation Fund which shall remain in existence until
22 December 31, 1999. Moneys remaining in the Fund after
23 December 31, 1999 shall be paid into the General Revenue
24 Fund. Until January 1, 2000, all monies paid into the
25 Horse Racing Tax Allocation Fund pursuant to this
26 paragraph (11) by inter-track wagering location licensees
27 located in park districts of 500,000 population or less,
28 or in a municipality that is not included within any park
29 district but is included within a conservation district
30 and is the county seat of a county that (i) is contiguous
31 to the state of Indiana and (ii) has a 1990 population of
32 88,257 according to the United States Bureau of the
33 Census, and operating on May 1, 1994 shall be allocated
34 by appropriation as follows:

1 Two-sevenths to the Department of Agriculture.
2 Fifty percent of this two-sevenths shall be used to
3 promote the Illinois horse racing and breeding
4 industry, and shall be distributed by the Department
5 of Agriculture upon the advice of a 9-member
6 committee appointed by the Governor consisting of
7 the following members: the Director of Agriculture,
8 who shall serve as chairman; 2 representatives of
9 organization licensees conducting thoroughbred race
10 meetings in this State, recommended by those
11 licensees; 2 representatives of organization
12 licensees conducting standardbred race meetings in
13 this State, recommended by those licensees; a
14 representative of the Illinois Thoroughbred Breeders
15 and Owners Foundation, recommended by that
16 Foundation; a representative of the Illinois
17 Standardbred Owners and Breeders Association,
18 recommended by that Association; a representative of
19 the Horsemen's Benevolent and Protective Association
20 or any successor organization thereto established in
21 Illinois comprised of the largest number of owners
22 and trainers, recommended by that Association or
23 that successor organization; and a representative of
24 the Illinois Harness Horsemen's Association,
25 recommended by that Association. Committee members
26 shall serve for terms of 2 years, commencing January
27 1 of each even-numbered year. If a representative
28 of any of the above-named entities has not been
29 recommended by January 1 of any even-numbered year,
30 the Governor shall appoint a committee member to
31 fill that position. Committee members shall receive
32 no compensation for their services as members but
33 shall be reimbursed for all actual and necessary
34 expenses and disbursements incurred in the

1 performance of their official duties. The remaining
2 50% of this two-sevenths shall be distributed to
3 county fairs for premiums and rehabilitation as set
4 forth in the Agricultural Fair Act;

5 Four-sevenths to park districts or
6 municipalities that do not have a park district of
7 500,000 population or less for museum purposes (if
8 an inter-track wagering location licensee is located
9 in such a park district) or to conservation
10 districts for museum purposes (if an inter-track
11 wagering location licensee is located in a
12 municipality that is not included within any park
13 district but is included within a conservation
14 district and is the county seat of a county that (i)
15 is contiguous to the state of Indiana and (ii) has a
16 1990 population of 88,257 according to the United
17 States Bureau of the Census, except that if the
18 conservation district does not maintain a museum,
19 the monies shall be allocated equally between the
20 county and the municipality in which the inter-track
21 wagering location licensee is located for general
22 purposes) or to a municipal recreation board for
23 park purposes (if an inter-track wagering location
24 licensee is located in a municipality that is not
25 included within any park district and park
26 maintenance is the function of the municipal
27 recreation board and the municipality has a 1990
28 population of 9,302 according to the United States
29 Bureau of the Census); provided that the monies are
30 distributed to each park district or conservation
31 district or municipality that does not have a park
32 district in an amount equal to four-sevenths of the
33 amount collected by each inter-track wagering
34 location licensee within the park district or

1 conservation district or municipality for the Fund.
2 Monies that were paid into the Horse Racing Tax
3 Allocation Fund before the effective date of this
4 amendatory Act of 1991 by an inter-track wagering
5 location licensee located in a municipality that is
6 not included within any park district but is
7 included within a conservation district as provided
8 in this paragraph shall, as soon as practicable
9 after the effective date of this amendatory Act of
10 1991, be allocated and paid to that conservation
11 district as provided in this paragraph. Any park
12 district or municipality not maintaining a museum
13 may deposit the monies in the corporate fund of the
14 park district or municipality where the inter-track
15 wagering location is located, to be used for general
16 purposes; and

17 One-seventh to the Agricultural Premium Fund to
18 be used for distribution to agricultural home
19 economics extension councils in accordance with "An
20 Act in relation to additional support and finances
21 for the Agricultural and Home Economic Extension
22 Councils in the several counties of this State and
23 making an appropriation therefor", approved July 24,
24 1967.

25 Until January 1, 2000, all other monies paid into
26 the Horse Racing Tax Allocation Fund pursuant to this
27 paragraph (11) shall be allocated by appropriation as
28 follows:

29 Two-sevenths to the Department of Agriculture.
30 Fifty percent of this two-sevenths shall be used to
31 promote the Illinois horse racing and breeding
32 industry, and shall be distributed by the Department
33 of Agriculture upon the advice of a 9-member
34 committee appointed by the Governor consisting of

1 the following members: the Director of Agriculture,
2 who shall serve as chairman; 2 representatives of
3 organization licensees conducting thoroughbred race
4 meetings in this State, recommended by those
5 licensees; 2 representatives of organization
6 licensees conducting standardbred race meetings in
7 this State, recommended by those licensees; a
8 representative of the Illinois Thoroughbred Breeders
9 and Owners Foundation, recommended by that
10 Foundation; a representative of the Illinois
11 Standardbred Owners and Breeders Association,
12 recommended by that Association; a representative of
13 the Horsemen's Benevolent and Protective Association
14 or any successor organization thereto established in
15 Illinois comprised of the largest number of owners
16 and trainers, recommended by that Association or
17 that successor organization; and a representative of
18 the Illinois Harness Horsemen's Association,
19 recommended by that Association. Committee members
20 shall serve for terms of 2 years, commencing January
21 1 of each even-numbered year. If a representative
22 of any of the above-named entities has not been
23 recommended by January 1 of any even-numbered year,
24 the Governor shall appoint a committee member to
25 fill that position. Committee members shall receive
26 no compensation for their services as members but
27 shall be reimbursed for all actual and necessary
28 expenses and disbursements incurred in the
29 performance of their official duties. The remaining
30 50% of this two-sevenths shall be distributed to
31 county fairs for premiums and rehabilitation as set
32 forth in the Agricultural Fair Act;

33 Four-sevenths to museums and aquariums located
34 in park districts of over 500,000 population;

1 provided that the monies are distributed in
2 accordance with the previous year's distribution of
3 the maintenance tax for such museums and aquariums
4 as provided in Section 2 of the Park District
5 Aquarium and Museum Act; and

6 One-seventh to the Agricultural Premium Fund to
7 be used for distribution to agricultural home
8 economics extension councils in accordance with "An
9 Act in relation to additional support and finances
10 for the Agricultural and Home Economic Extension
11 Councils in the several counties of this State and
12 making an appropriation therefor", approved July 24,
13 1967. This subparagraph (C) shall be inoperative and
14 of no force and effect on and after January 1, 2000.

15 (D) Except as provided in paragraph (11) of
16 this subsection (h), with respect to purse
17 allocation from intertrack wagering, the monies so
18 retained shall be divided as follows:

19 (i) If the inter-track wagering licensee,
20 except an intertrack wagering licensee that
21 derives its license from an organization
22 licensee located in a county with a population
23 in excess of 230,000 and bounded by the
24 Mississippi River, is not conducting its own
25 race meeting during the same dates, then the
26 entire purse allocation shall be to purses at
27 the track where the races wagered on are being
28 conducted.

29 (ii) If the inter-track wagering
30 licensee, except an intertrack wagering
31 licensee that derives its license from an
32 organization licensee located in a county with
33 a population in excess of 230,000 and bounded
34 by the Mississippi River, is also conducting

1 its own race meeting during the same dates,
2 then the purse allocation shall be as follows:
3 50% to purses at the track where the races
4 wagered on are being conducted; 50% to purses
5 at the track where the inter-track wagering
6 licensee is accepting such wagers.

7 (iii) If the inter-track wagering is
8 being conducted by an inter-track wagering
9 location licensee, except an intertrack
10 wagering location licensee that derives its
11 license from an organization licensee located
12 in a county with a population in excess of
13 230,000 and bounded by the Mississippi River,
14 the entire purse allocation for Illinois races
15 shall be to purses at the track where the race
16 meeting being wagered on is being held.

17 (12) The Board shall have all powers necessary and
18 proper to fully supervise and control the conduct of
19 inter-track wagering and simulcast wagering by
20 inter-track wagering licensees and inter-track wagering
21 location licensees, including, but not limited to the
22 following:

23 (A) The Board is vested with power to
24 promulgate reasonable rules and regulations for the
25 purpose of administering the conduct of this
26 wagering and to prescribe reasonable rules,
27 regulations and conditions under which such wagering
28 shall be held and conducted. Such rules and
29 regulations are to provide for the prevention of
30 practices detrimental to the public interest and for
31 the best interests of said wagering and to impose
32 penalties for violations thereof.

33 (B) The Board, and any person or persons to
34 whom it delegates this power, is vested with the

1 power to enter the facilities of any licensee to
2 determine whether there has been compliance with the
3 provisions of this Act and the rules and regulations
4 relating to the conduct of such wagering.

5 (C) The Board, and any person or persons to
6 whom it delegates this power, may eject or exclude
7 from any licensee's facilities, any person whose
8 conduct or reputation is such that his presence on
9 such premises may, in the opinion of the Board, call
10 into the question the honesty and integrity of, or
11 interfere with the orderly conduct of such wagering;
12 provided, however, that no person shall be excluded
13 or ejected from such premises solely on the grounds
14 of race, color, creed, national origin, ancestry, or
15 sex.

16 (D) (Blank).

17 (E) The Board is vested with the power to
18 appoint delegates to execute any of the powers
19 granted to it under this Section for the purpose of
20 administering this wagering and any rules and
21 regulations promulgated in accordance with this Act.

22 (F) The Board shall name and appoint a State
23 director of this wagering who shall be a
24 representative of the Board and whose duty it shall
25 be to supervise the conduct of inter-track wagering
26 as may be provided for by the rules and regulations
27 of the Board; such rules and regulation shall
28 specify the method of appointment and the Director's
29 powers, authority and duties.

30 (G) The Board is vested with the power to
31 impose civil penalties of up to \$5,000 against
32 individuals and up to \$10,000 against licensees for
33 each violation of any provision of this Act relating
34 to the conduct of this wagering, any rules adopted

1 by the Board, any order of the Board or any other
2 action which in the Board's discretion, is a
3 detriment or impediment to such wagering.

4 (13) The Department of Agriculture may enter into
5 agreements with licensees authorizing such licensees to
6 conduct inter-track wagering on races to be held at the
7 licensed race meetings conducted by the Department of
8 Agriculture. Such agreement shall specify the races of
9 the Department of Agriculture's licensed race meeting
10 upon which the licensees will conduct wagering. In the
11 event that a licensee conducts inter-track pari-mutuel
12 wagering on races from the Illinois State Fair or DuQuoin
13 State Fair which are in addition to the licensee's
14 previously approved racing program, those races shall be
15 considered a separate racing day for the purpose of
16 determining the daily handle and computing the privilege
17 or pari-mutuel tax on that daily handle as provided in
18 Sections 27 and 27.1. Such agreements shall be approved
19 by the Board before such wagering may be conducted. In
20 determining whether to grant approval, the Board shall
21 give due consideration to the best interests of the
22 public and of horse racing. The provisions of paragraphs
23 (1), (8), (8.1), and (8.2) of subsection (h) of this
24 Section which are not specified in this paragraph (13)
25 shall not apply to licensed race meetings conducted by
26 the Department of Agriculture at the Illinois State Fair
27 in Sangamon County or the DuQuoin State Fair in Perry
28 County, or to any wagering conducted on those race
29 meetings.

30 (i) Notwithstanding the other provisions of this Act,
31 the conduct of wagering at wagering facilities is authorized
32 on all days, except as limited by subsection (b) of Section
33 19 of this Act.

34 (Source: P.A. 91-40, eff. 6-25-99; 92-211, eff. 8-2-01.)

1 (230 ILCS 5/26.1) (from Ch. 8, par. 37-26.1)

2 Sec. 26.1. For all pari-mutuel wagering conducted
3 pursuant to this Act, breakage shall be at all times computed
4 on the basis of not to exceed 10¢ on the dollar. If there is
5 a minus pool, the breakage shall be computed on the basis of
6 not to exceed 5¢ on the dollar. Breakage shall be calculated
7 only after the amounts retained by licensees pursuant to
8 Sections 26 and 26.2 of this Act, and all applicable
9 surcharges, are taken out of winning wagers and winnings from
10 wagers. From Beginning January 1, 2000 until July 1, 2004,
11 all breakage shall be retained by licensees, with 50% of
12 breakage to be used by licensees for racetrack improvements
13 at the racetrack from which the wagering facility derives its
14 license. The remaining 50% is to be allocated 50% to the
15 purse account for the licensee from which the wagering
16 facility derives its license and 50% to the licensee.
17 Beginning July 1, 2004, all breakage shall be retained by
18 licensees, with 50% of breakage to be used by licensees for
19 racetrack improvements at the racetrack from which the
20 wagering facility derives its license. The remaining 50% is
21 to be allocated to the purse account for the licensee from
22 which the wagering facility derives its license.

23 (Source: P.A. 91-40, eff. 6-25-99.)

24 (230 ILCS 5/27) (from Ch. 8, par. 37-27)

25 Sec. 27. (a) In addition to the organization license fee
26 provided by this Act, until January 1, 2000, a graduated
27 privilege tax is hereby imposed for conducting the
28 pari-mutuel system of wagering permitted under this Act.
29 Until January 1, 2000, except as provided in subsection (g)
30 of Section 27 of this Act, all of the breakage of each racing
31 day held by any licensee in the State shall be paid to the
32 State. Until January 1, 2000, such daily graduated privilege
33 tax shall be paid by the licensee from the amount permitted

1 to be retained under this Act. Until January 1, 2000, each
2 day's graduated privilege tax, breakage, and Horse Racing Tax
3 Allocation funds shall be remitted to the Department of
4 Revenue within 48 hours after the close of the racing day
5 upon which it is assessed or within such other time as the
6 Board prescribes. The privilege tax hereby imposed, until
7 January 1, 2000, shall be a flat tax at the rate of 2% of the
8 daily pari-mutuel handle except as provided in Section 27.1.

9 In addition, every organization licensee, except as
10 provided in Section 27.1 of this Act, which conducts multiple
11 wagering shall pay, until January 1, 2000, as a privilege tax
12 on multiple wagers an amount equal to 1.25% of all moneys
13 wagered each day on such multiple wagers, plus an additional
14 amount equal to 3.5% of the amount wagered each day on any
15 other multiple wager which involves a single betting interest
16 on 3 or more horses. The licensee shall remit the amount of
17 such taxes to the Department of Revenue within 48 hours after
18 the close of the racing day on which it is assessed or within
19 such other time as the Board prescribes.

20 This subsection (a) shall be inoperative and of no force
21 and effect on and after January 1, 2000.

22 (a-5) Beginning on January 1, 2000, a flat pari-mutuel
23 tax at the rate of 1.5% of the daily pari-mutuel handle is
24 imposed at all pari-mutuel wagering facilities, which shall
25 be remitted to the Department of Revenue within 48 hours
26 after the close of the racing day upon which it is assessed
27 or within such other time as the Board prescribes.

28 (b) On or before December 31, 1999, in the event that
29 any organization licensee conducts 2 separate programs of
30 races on any day, each such program shall be considered a
31 separate racing day for purposes of determining the daily
32 handle and computing the privilege tax on such daily handle
33 as provided in subsection (a) of this Section.

34 (c) Licensees shall at all times keep accurate books and

1 records of all monies wagered on each day of a race meeting
2 and of the taxes paid to the Department of Revenue under the
3 provisions of this Section. The Board or its duly authorized
4 representative or representatives shall at all reasonable
5 times have access to such records for the purpose of
6 examining and checking the same and ascertaining whether the
7 proper amount of taxes is being paid as provided. The Board
8 shall require verified reports and a statement of the total
9 of all monies wagered daily at each wagering facility upon
10 which the taxes are assessed and may prescribe forms upon
11 which such reports and statement shall be made.

12 (d) Any licensee failing or refusing to pay the amount
13 of any tax due under this Section shall be guilty of a
14 business offense and upon conviction shall be fined not more
15 than \$5,000 in addition to the amount found due as tax under
16 this Section. Each day's violation shall constitute a
17 separate offense. All fines paid into Court by a licensee
18 hereunder shall be transmitted and paid over by the Clerk of
19 the Court to the Board.

20 (e) No other license fee, privilege tax, excise tax, or
21 racing fee, except as provided in this Act, shall be assessed
22 or collected from any such licensee by the State.

23 (f) No other license fee, privilege tax, excise tax or
24 racing fee shall be assessed or collected from any such
25 licensee by units of local government except as provided in
26 paragraph 10.1 of subsection (h) and subsection (f) of
27 Section 26 of this Act. However, any municipality that has a
28 Board licensed horse race meeting at a race track wholly
29 within its corporate boundaries or a township that has a
30 Board licensed horse race meeting at a race track wholly
31 within the unincorporated area of the township may charge a
32 local amusement tax not to exceed 10¢ per admission to such
33 horse race meeting by the enactment of an ordinance.
34 However, any municipality or county that has a Board licensed

1 inter-track wagering location facility wholly within its
2 corporate boundaries may each impose an admission fee not to
3 exceed \$1.00 per admission to such inter-track wagering
4 location facility, so that a total of not more than \$2.00 per
5 admission may be imposed. Except as provided in subparagraph
6 (g) of Section 27 of this Act, the inter-track wagering
7 location licensee shall collect any and all such fees and
8 within 48 hours remit the fees to the Board, which shall,
9 pursuant to rule, cause the fees to be distributed to the
10 county or municipality.

11 (g) Notwithstanding any provision in this Act to the
12 contrary, if in any calendar year the total taxes and fees
13 from wagering on live racing and from inter-track wagering
14 required to be collected from licensees and distributed under
15 this Act to all State and local governmental authorities
16 exceeds the amount of such taxes and fees distributed to each
17 State and local governmental authority to which each State
18 and local governmental authority was entitled under this Act
19 for calendar year 1994, then the first \$11 million of that
20 excess amount shall be allocated at the earliest possible
21 date for distribution as purse money for the succeeding
22 calendar year. Upon reaching the 1994 level, and until the
23 excess amount of taxes and fees exceeds \$11 million, the
24 Board shall direct all licensees to cease paying the subject
25 taxes and fees and the Board shall direct all licensees to
26 allocate any such excess amount for purses as follows:

27 (i) the excess amount shall be initially divided
28 between thoroughbred and standardbred purses based on the
29 thoroughbred's and standardbred's respective percentages
30 of total Illinois live wagering in calendar year 1994;

31 (ii) each thoroughbred and standardbred
32 organization licensee issued an organization licensee in
33 that succeeding allocation year shall be allocated an
34 amount equal to the product of its percentage of total

1 Illinois live thoroughbred or standardbred wagering in
2 calendar year 1994 (the total to be determined based on
3 the sum of 1994 on-track wagering for all organization
4 licensees issued organization licenses in both the
5 allocation year and the preceding year) multiplied by the
6 total amount allocated for standardbred or thoroughbred
7 purses, provided that the first \$1,500,000 of the amount
8 allocated to standardbred purses under item (i) shall be
9 allocated to the Department of Agriculture to be expended
10 with the assistance and advice of the Illinois
11 Standardbred Breeders Funds Advisory Board for the
12 purposes listed in subsection (g) of Section 31 of this
13 Act, before the amount allocated to standardbred purses
14 under item (i) is allocated to standardbred organization
15 licensees in the succeeding allocation year.

16 To the extent the excess amount of taxes and fees to be
17 collected and distributed to State and local governmental
18 authorities exceeds \$11 million, that excess amount shall be
19 collected and distributed to State and local authorities as
20 provided for under this Act.

21 (Source: P.A. 91-40, eff. 6-25-99.)

22 (230 ILCS 5/28.1)

23 Sec. 28.1. Payments.

24 (a) Beginning on January 1, 2000, moneys collected by
25 the Department of Revenue and the Racing Board pursuant to
26 Section 26 or Section 27 of this Act shall be deposited into
27 the Horse Racing Fund, which is hereby created as a special
28 fund in the State Treasury.

29 (b) Appropriations, as approved by the General Assembly,
30 may be made from the Horse Racing Fund to the Board to pay
31 the salaries of the Board members, secretary, stewards,
32 directors of mutuels, veterinarians, representatives,
33 accountants, clerks, stenographers, inspectors and other

1 employees of the Board, and all expenses of the Board
2 incident to the administration of this Act, including, but
3 not limited to, all expenses and salaries incident to the
4 taking of saliva and urine samples in accordance with the
5 rules and regulations of the Board.

6 (c) Appropriations, as approved by the General Assembly,
7 shall be made from the Horse Racing Fund to the Department of
8 Agriculture for the purposes identified in paragraphs (2),
9 (2.5), (4), (4.1), (6), (7), (8), and (9) of subsection (g)
10 of Section 30, subsection (e) of Section 30.5, and paragraphs
11 (1), (2), (3), (5), and (8) of subsection (g) of Section 31
12 and for standardbred bonus programs for owners of horses that
13 win multiple stakes races that are limited to Illinois
14 conceived and foaled horses. From Beginning--on January 1,
15 2000 until the effective date of this amendatory Act of the
16 93rd General Assembly, the Board shall transfer the remainder
17 of the funds generated pursuant to Sections 26 and 27 from
18 the Horse Racing Fund into the General Revenue Fund.

19 (d) Beginning January 1, 2000, payments to all programs
20 in existence on the effective date of this amendatory Act of
21 1999 that are identified in Sections 26(c), 26(f),
22 26(h)(11)(C), and 28, subsections (a), (b), (c), (d), (e),
23 (f), (g), and (h) of Section 30, and subsections (a), (b),
24 (c), (d), (e), (f), (g), and (h) of Section 31 shall be made
25 from the General Revenue Fund at the funding levels
26 determined by amounts paid under this Act in calendar year
27 1998.

28 (e) Notwithstanding any other provision of this Act to
29 the contrary, appropriations, as approved by the General
30 Assembly, may be made from the Fair and Exposition Fund to
31 the Department of Agriculture for distribution to Illinois
32 county fairs to supplement premiums offered in junior
33 classes.

34 (Source: P.A. 91-40, eff. 6-25-99.)

1 (230 ILCS 5/30) (from Ch. 8, par. 37-30)

2 Sec. 30. (a) The General Assembly declares that it is
3 the policy of this State to encourage the breeding of
4 thoroughbred horses in this State and the ownership of such
5 horses by residents of this State in order to provide for:
6 sufficient numbers of high quality thoroughbred horses to
7 participate in thoroughbred racing meetings in this State,
8 and to establish and preserve the agricultural and commercial
9 benefits of such breeding and racing industries to the State
10 of Illinois. It is the intent of the General Assembly to
11 further this policy by the provisions of this Act.

12 (b) Each organization licensee conducting a thoroughbred
13 racing meeting pursuant to this Act shall provide at least
14 two races each day limited to Illinois conceived and foaled
15 horses or Illinois foaled horses or both. A minimum of 6
16 races shall be conducted each week limited to Illinois
17 conceived and foaled or Illinois foaled horses or both.
18 Subject to the daily availability of horses, one of the 6
19 races scheduled per week that are limited to Illinois
20 conceived and foaled or Illinois foaled horses or both shall
21 be limited to Illinois conceived and foaled or Illinois
22 foaled maidens. No horses shall be permitted to start in such
23 races unless duly registered under the rules of the
24 Department of Agriculture.

25 (c) Conditions of races under subsection (b) shall be
26 commensurate with past performance, quality, and class of
27 Illinois conceived and foaled and Illinois foaled horses
28 available. If, however, sufficient competition cannot be had
29 among horses of that class on any day, the races may, with
30 consent of the Board, be eliminated for that day and
31 substitute races provided.

32 (d) There is hereby created a special fund of the State
33 Treasury to be known as the Illinois Thoroughbred Breeders
34 Fund.

1 Except as provided in subsection (g) of Section 27 of
2 this Act, 8.5% of all the monies received by the State as
3 privilege taxes on Thoroughbred racing meetings shall be paid
4 into the Illinois Thoroughbred Breeders Fund.

5 (e) The Illinois Thoroughbred Breeders Fund shall be
6 administered by the Department of Agriculture with the advice
7 and assistance of the Advisory Board created in subsection
8 (f) of this Section.

9 (f) The Illinois Thoroughbred Breeders Fund Advisory
10 Board shall consist of the Director of the Department of
11 Agriculture, who shall serve as Chairman; a member of the
12 Illinois Racing Board, designated by it; 2 representatives of
13 the organization licensees conducting thoroughbred racing
14 meetings, recommended by them; 2 representatives of the
15 Illinois Thoroughbred Breeders and Owners Foundation,
16 recommended by it; and 2 representatives of the Horsemen's
17 Benevolent Protective Association or any successor
18 organization established in Illinois comprised of the largest
19 number of owners and trainers, recommended by it, with one
20 representative of the Horsemen's Benevolent and Protective
21 Association to come from its Illinois Division, and one from
22 its Chicago Division. Advisory Board members shall serve for
23 2 years commencing January 1 of each odd numbered year. If
24 representatives of the organization licensees conducting
25 thoroughbred racing meetings, the Illinois Thoroughbred
26 Breeders and Owners Foundation, and the Horsemen's Benevolent
27 Protection Association have not been recommended by January
28 1, of each odd numbered year, the Director of the Department
29 of Agriculture shall make an appointment for the organization
30 failing to so recommend a member of the Advisory Board.
31 Advisory Board members shall receive no compensation for
32 their services as members but shall be reimbursed for all
33 actual and necessary expenses and disbursements incurred in
34 the execution of their official duties.

1 (g) Moneys ~~Ne-monies~~ shall be expended from the Illinois
2 Thoroughbred Breeders Fund ~~except~~ as appropriated by the
3 General Assembly pursuant to this Act, the Riverboat Gambling
4 Act, or both. Monies appropriated from the Illinois
5 Thoroughbred Breeders Fund shall be expended by the
6 Department of Agriculture, with the advice and assistance of
7 the Illinois Thoroughbred Breeders Fund Advisory Board, for
8 the following purposes only:

9 (1) To provide purse supplements to owners of
10 horses participating in races limited to Illinois
11 conceived and foaled and Illinois foaled horses. Any
12 such purse supplements shall not be included in and shall
13 be paid in addition to any purses, stakes, or breeders'
14 awards offered by each organization licensee as
15 determined by agreement between such organization
16 licensee and an organization representing the horsemen.
17 No monies from the Illinois Thoroughbred Breeders Fund
18 shall be used to provide purse supplements for claiming
19 races in which the minimum claiming price is less than
20 \$7,500.

21 (2) To provide stakes and awards to be paid to the
22 owners of the winning horses in certain races limited to
23 Illinois conceived and foaled and Illinois foaled horses
24 designated as stakes races.

25 (2.5) To provide an award to the owner or owners of
26 an Illinois conceived and foaled or Illinois foaled horse
27 that wins a maiden special weight, an allowance,
28 overnight handicap race, or claiming race with claiming
29 price of \$10,000 or more providing the race is not
30 restricted to Illinois conceived and foaled or Illinois
31 foaled horses. Awards shall also be provided to the
32 owner or owners of Illinois conceived and foaled and
33 Illinois foaled horses that place second or third in
34 those races. To the extent that additional moneys are

1 required to pay the minimum additional awards of 40% of
2 the purse the horse earns for placing first, second or
3 third in those races for Illinois foaled horses and of
4 60% of the purse the horse earns for placing first,
5 second or third in those races for Illinois conceived and
6 foaled horses, those moneys shall be provided from the
7 purse account at the track where earned.

8 (3) To provide stallion awards to the owner or
9 owners of any stallion that is duly registered with the
10 Illinois Thoroughbred Breeders Fund Program ~~prior-to-the~~
11 ~~effective-date-of-this-amendatory-Act-of-1995~~ whose duly
12 registered Illinois conceived and foaled offspring wins a
13 race conducted at an Illinois thoroughbred racing meeting
14 other than a claiming race. Such award shall not be paid
15 to the owner or owners of an Illinois stallion that
16 served outside this State at any time during the calendar
17 year in which such race was conducted.

18 (4) To provide \$75,000 annually for purses to be
19 distributed to county fairs that provide for the running
20 of races during each county fair exclusively for the
21 thoroughbreds conceived and foaled in Illinois. The
22 conditions of the races shall be developed by the county
23 fair association and reviewed by the Department with the
24 advice and assistance of the Illinois Thoroughbred
25 Breeders Fund Advisory Board. There shall be no wagering
26 of any kind on the running of Illinois conceived and
27 foaled races at county fairs.

28 (4.1) (Blank). ~~To--provide--purse--money--for---an~~
29 ~~Illinois-stallion-stakes-program-~~

30 (5) No less than 80% of all monies appropriated to
31 ~~from~~ the Illinois Thoroughbred Breeders Fund shall be
32 expended for the purposes in (1), (2), (2.5), (3), (4),
33 (4.1), and (5) as shown above.

34 (6) To provide for educational programs regarding

1 the thoroughbred breeding industry.

2 (7) To provide for research programs concerning the
3 health, development and care of the thoroughbred horse.

4 (8) To provide for a scholarship and training
5 program for students of equine veterinary medicine.

6 (9) To provide for dissemination of public
7 information designed to promote the breeding of
8 thoroughbred horses in Illinois.

9 (10) To provide for all expenses incurred in the
10 administration of the Illinois Thoroughbred Breeders
11 Fund.

12 (h) (Blank). ~~Whenever the Governor finds that the amount~~
13 ~~in the Illinois Thoroughbred Breeders Fund is more than the~~
14 ~~total of the outstanding appropriations from such fund, the~~
15 ~~Governor shall notify the State Comptroller and the State~~
16 ~~Treasurer of such fact. The Comptroller and the State~~
17 ~~Treasurer, upon receipt of such notification, shall transfer~~
18 ~~such excess amount from the Illinois Thoroughbred Breeders~~
19 ~~Fund to the General Revenue Fund.~~

20 (i) A sum equal to 12 1/2% of the first prize money of
21 every purse won by an Illinois foaled or an Illinois
22 conceived and foaled horse in races not limited to Illinois
23 foaled horses or Illinois conceived and foaled horses, or
24 both, shall be paid by the organization licensee conducting
25 the horse race meeting. Such sum shall be paid from the
26 organization licensee's share of the money wagered as
27 follows: 11 1/2% to the breeder of the winning horse and 1%
28 to the organization representing thoroughbred breeders and
29 owners whose representative serves on the Illinois
30 Thoroughbred Breeders Fund Advisory Board for verifying the
31 amounts of breeders' awards earned, assuring their
32 distribution in accordance with this Act, and servicing and
33 promoting the Illinois thoroughbred horse racing industry.
34 The organization representing thoroughbred breeders and

1 owners shall cause all expenditures of monies received under
2 this subsection (i) to be audited at least annually by a
3 registered public accountant. The organization shall file
4 copies of each annual audit with the Racing Board, the Clerk
5 of the House of Representatives and the Secretary of the
6 Senate, and shall make copies of each annual audit available
7 to the public upon request and upon payment of the reasonable
8 cost of photocopying the requested number of copies. Such
9 payments shall not reduce any award to the owner of the horse
10 or reduce the taxes payable under this Act. Upon completion
11 of its racing meet, each organization licensee shall deliver
12 to the organization representing thoroughbred breeders and
13 owners whose representative serves on the Illinois
14 Thoroughbred Breeders Fund Advisory Board a listing of all
15 the Illinois foaled and the Illinois conceived and foaled
16 horses which won breeders' awards and the amount of such
17 breeders' awards under this subsection to verify accuracy of
18 payments and assure proper distribution of breeders' awards
19 in accordance with the provisions of this Act. Such payments
20 shall be delivered by the organization licensee within 30
21 days of the end of each race meeting.

22 (j) A sum equal to 12 1/2% of the first prize money won
23 in each race limited to Illinois foaled horses or Illinois
24 conceived and foaled horses, or both, shall be paid in the
25 following manner by the organization licensee conducting the
26 horse race meeting, from the organization licensee's share of
27 the money wagered: 11 1/2% to the breeders of the horses in
28 each such race which are the official first, second, third
29 and fourth finishers and 1% to the organization representing
30 thoroughbred breeders and owners whose representative serves
31 on the Illinois Thoroughbred Breeders Fund Advisory Board for
32 verifying the amounts of breeders' awards earned, assuring
33 their proper distribution in accordance with this Act, and
34 servicing and promoting the Illinois thoroughbred horse

1 racing industry. The organization representing thoroughbred
2 breeders and owners shall cause all expenditures of monies
3 received under this subsection (j) to be audited at least
4 annually by a registered public accountant. The organization
5 shall file copies of each annual audit with the Racing Board,
6 the Clerk of the House of Representatives and the Secretary
7 of the Senate, and shall make copies of each annual audit
8 available to the public upon request and upon payment of the
9 reasonable cost of photocopying the requested number of
10 copies.

11 The 11 1/2% paid to the breeders in accordance with this
12 subsection shall be distributed as follows:

13 (1) 60% of such sum shall be paid to the breeder of
14 the horse which finishes in the official first position;

15 (2) 20% of such sum shall be paid to the breeder of
16 the horse which finishes in the official second position;

17 (3) 15% of such sum shall be paid to the breeder of
18 the horse which finishes in the official third position;
19 and

20 (4) 5% of such sum shall be paid to the breeder of
21 the horse which finishes in the official fourth position.

22 Such payments shall not reduce any award to the owners of
23 a horse or reduce the taxes payable under this Act. Upon
24 completion of its racing meet, each organization licensee
25 shall deliver to the organization representing thoroughbred
26 breeders and owners whose representative serves on the
27 Illinois Thoroughbred Breeders Fund Advisory Board a listing
28 of all the Illinois foaled and the Illinois conceived and
29 foaled horses which won breeders' awards and the amount of
30 such breeders' awards in accordance with the provisions of
31 this Act. Such payments shall be delivered by the
32 organization licensee within 30 days of the end of each race
33 meeting.

34 (k) The term "breeder", as used herein, means the owner

1 of the mare at the time the foal is dropped. An "Illinois
2 foaled horse" is a foal dropped by a mare which enters this
3 State on or before December 1, in the year in which the horse
4 is bred, provided the mare remains continuously in this State
5 until its foal is born. An "Illinois foaled horse" also means
6 a foal born of a mare in the same year as the mare enters
7 this State on or before March 1, and remains in this State at
8 least 30 days after foaling, is bred back during the season
9 of the foaling to an Illinois Registered Stallion (unless a
10 veterinarian certifies that the mare should not be bred for
11 health reasons), and is not bred to a stallion standing in
12 any other state during the season of foaling. An "Illinois
13 foaled horse" also means a foal born in Illinois of a mare
14 purchased at public auction subsequent to the mare entering
15 this State prior to March 1 ~~February-1~~ of the foaling year
16 providing the mare is owned solely by one or more Illinois
17 residents or an Illinois entity that is entirely owned by one
18 or more Illinois residents.

19 (1) The Department of Agriculture shall, by rule, with
20 the advice and assistance of the Illinois Thoroughbred
21 Breeders Fund Advisory Board:

22 (1) Qualify stallions for Illinois breeding; such
23 stallions to stand for service within the State of
24 Illinois at the time of a foal's conception. Such
25 stallion must not stand for service at any place outside
26 the State of Illinois during the calendar year in which
27 the foal is conceived. The Department of Agriculture may
28 assess and collect an application fee of \$500 fees for
29 the registration of each Illinois-eligible stallion
30 stallions. All fees collected are to be paid into the
31 Illinois Thoroughbred Breeders Fund and used by the
32 Illinois Thoroughbred Breeders Fund Advisory Board for
33 stallion awards.

34 (2) Provide for the registration of Illinois

1 conceived and foaled horses and Illinois foaled horses.
2 No such horse shall compete in the races limited to
3 Illinois conceived and foaled horses or Illinois foaled
4 horses or both unless registered with the Department of
5 Agriculture. The Department of Agriculture may prescribe
6 such forms as are necessary to determine the eligibility
7 of such horses. The Department of Agriculture may assess
8 and collect application fees for the registration of
9 Illinois-eligible foals. All fees collected are to be
10 paid into the Illinois Thoroughbred Breeders Fund. No
11 person shall knowingly prepare or cause preparation of an
12 application for registration of such foals containing
13 false information.

14 (m) The Department of Agriculture, with the advice and
15 assistance of the Illinois Thoroughbred Breeders Fund
16 Advisory Board, shall provide that certain races limited to
17 Illinois conceived and foaled and Illinois foaled horses be
18 stakes races and determine the total amount of stakes and
19 awards to be paid to the owners of the winning horses in such
20 races.

21 In determining the stakes races and the amount of awards
22 for such races, the Department of Agriculture shall consider
23 factors, including but not limited to, the amount of money
24 appropriated for the Illinois Thoroughbred Breeders Fund
25 program, organization licensees' contributions, availability
26 of stakes caliber horses as demonstrated by past
27 performances, whether the race can be coordinated into the
28 proposed racing dates within organization licensees' racing
29 dates, opportunity for colts and fillies and various age
30 groups to race, public wagering on such races, and the
31 previous racing schedule.

32 (n) The Board and the organizational licensee shall
33 notify the Department of the conditions and minimum purses
34 for races limited to Illinois conceived and foaled and

1 Illinois foaled horses conducted for each organizational
 2 licensee conducting a thoroughbred racing meeting. The
 3 Department of Agriculture with the advice and assistance of
 4 the Illinois Thoroughbred Breeders Fund Advisory Board may
 5 allocate monies for purse supplements for such races. In
 6 determining whether to allocate money and the amount, the
 7 Department of Agriculture shall consider factors, including
 8 but not limited to, the amount of money appropriated for the
 9 Illinois Thoroughbred Breeders Fund program, the number of
 10 races that may occur, and the organizational licensee's purse
 11 structure.

12 (o) (Blank). In order to improve the breeding quality of
 13 thoroughbred horses in the State, the General Assembly
 14 recognizes that existing provisions of this Section to
 15 encourage such quality breeding need to be revised and
 16 strengthened. As such, a Thoroughbred Breeder's Program Task
 17 Force is to be appointed by the Governor by September 17, 1999
 18 to make recommendations to the General Assembly by no later
 19 than March 17, 2000. This task force is to be composed of 2
 20 representatives from the Illinois Thoroughbred Breeders and
 21 Owners Foundation, 2 from the Illinois Thoroughbred
 22 Horsemen's Association, 3 from Illinois race tracks operating
 23 thoroughbred race meets for an average of at least 30 days in
 24 the past 3 years, the Director of Agriculture, the Executive
 25 Director of the Racing Board, who shall serve as Chairman.

26 (Source: P.A. 91-40, eff. 6-25-99.)

27 (230 ILCS 5/31) (from Ch. 8, par. 37-31)

28 Sec. 31. (a) The General Assembly declares that it is
 29 the policy of this State to encourage the breeding of
 30 standardbred horses in this State and the ownership of such
 31 horses by residents of this State in order to provide for:
 32 sufficient numbers of high quality standardbred horses to
 33 participate in harness racing meetings in this State, and to

1 establish and preserve the agricultural and commercial
2 benefits of such breeding and racing industries to the State
3 of Illinois. It is the intent of the General Assembly to
4 further this policy by the provisions of this Section of this
5 Act.

6 (b) Each organization licensee conducting a harness
7 racing meeting pursuant to this Act shall provide for at
8 least two races each race program limited to Illinois
9 conceived and foaled horses. A minimum of 6 races shall be
10 conducted each week limited to Illinois conceived and foaled
11 horses. No horses shall be permitted to start in such races
12 unless duly registered under the rules of the Department of
13 Agriculture.

14 (b-5) Each organization licensee conducting a harness
15 racing meeting pursuant to this Act shall provide stakes
16 races and early closer races for Illinois conceived and
17 foaled horses so the total purses distributed for such races
18 shall be no less than 17% of the total purses distributed at
19 the meeting.

20 (b-10) Each organization licensee conducting a harness
21 racing meeting pursuant to this Act shall provide an owner
22 award to be paid from the purse account equal to 25% of the
23 amount earned by Illinois conceived and foaled horses in
24 races that are not restricted to Illinois conceived and
25 foaled horses.

26 (c) Conditions of races under subsection (b) shall be
27 commensurate with past performance, quality and class of
28 Illinois conceived and foaled horses available. If, however,
29 sufficient competition cannot be had among horses of that
30 class on any day, the races may, with consent of the Board,
31 be eliminated for that day and substitute races provided.

32 (d) There is hereby created a special fund of the State
33 Treasury to be known as the Illinois Standardbred Breeders
34 Fund.

1 During the calendar year 1981, and each year thereafter,
2 except as provided in subsection (g) of Section 27 of this
3 Act, eight and one-half per cent of all the monies received
4 by the State as privilege taxes on harness racing meetings
5 shall be paid into the Illinois Standardbred Breeders Fund.

6 (e) The Illinois Standardbred Breeders Fund shall be
7 administered by the Department of Agriculture with the
8 assistance and advice of the Advisory Board created in
9 subsection (f) of this Section.

10 (f) The Illinois Standardbred Breeders Fund Advisory
11 Board is hereby created. The Advisory Board shall consist of
12 the Director of the Department of Agriculture, who shall
13 serve as Chairman; the Superintendent of the Illinois State
14 Fair; a member of the Illinois Racing Board, designated by
15 it; a representative of the Illinois Standardbred Owners and
16 Breeders Association, recommended by it; a representative of
17 the Illinois Association of Agricultural Fairs, recommended
18 by it, such representative to be from a fair at which
19 Illinois conceived and foaled racing is conducted; a
20 representative of the organization licensees conducting
21 harness racing meetings, recommended by them and a
22 representative of the Illinois Harness Horsemen's
23 Association, recommended by it. Advisory Board members shall
24 serve for 2 years commencing January 1, of each odd numbered
25 year. If representatives of the Illinois Standardbred Owners
26 and Breeders Associations, the Illinois Association of
27 Agricultural Fairs, the Illinois Harness Horsemen's
28 Association, and the organization licensees conducting
29 harness racing meetings have not been recommended by January
30 1, of each odd numbered year, the Director of the Department
31 of Agriculture shall make an appointment for the organization
32 failing to so recommend a member of the Advisory Board.
33 Advisory Board members shall receive no compensation for
34 their services as members but shall be reimbursed for all

1 actual and necessary expenses and disbursements incurred in
2 the execution of their official duties.

3 (g) No monies shall be expended from the Illinois
4 Standardbred Breeders Fund except as appropriated by the
5 General Assembly. Monies appropriated from the Illinois
6 Standardbred Breeders Fund shall be expended by the
7 Department of Agriculture, with the assistance and advice of
8 the Illinois Standardbred Breeders Fund Advisory Board for
9 the following purposes only:

10 1. To provide purses for races limited to Illinois
11 conceived and foaled horses at the State Fair and the
12 DuQuoin State Fair.

13 2. To provide purses for races limited to Illinois
14 conceived and foaled horses at county fairs.

15 3. To provide purse supplements for races limited
16 to Illinois conceived and foaled horses conducted by
17 associations conducting harness racing meetings.

18 4. No less than 75% of all monies in the Illinois
19 Standardbred Breeders Fund shall be expended for purses
20 in 1, 2 and 3 as shown above.

21 5. In the discretion of the Department of
22 Agriculture to provide awards to harness breeders of
23 Illinois conceived and foaled horses which win races
24 conducted by organization licensees conducting harness
25 racing meetings. A breeder is the owner of a mare at the
26 time of conception. No more than 10% of all monies
27 appropriated from the Illinois Standardbred Breeders Fund
28 shall be expended for such harness breeders awards. No
29 more than 25% of the amount expended for harness breeders
30 awards shall be expended for expenses incurred in the
31 administration of such harness breeders awards.

32 6. To pay for the improvement of racing facilities
33 located at the State Fair and County fairs.

34 7. To pay the expenses incurred in the

1 administration of the Illinois Standardbred Breeders
2 Fund.

3 8. To promote the sport of harness racing,
4 including grants up to a maximum of \$7,500 per fair per
5 year for the cost of a totalizer system to be used for
6 conducting pari-mutuel wagering during the advertised
7 dates of a county fair.

8 (h) Whenever the Governor finds that the amount in the
9 Illinois Standardbred Breeders Fund is more than the total of
10 the outstanding appropriations from such fund, the Governor
11 shall notify the State Comptroller and the State Treasurer of
12 such fact. The Comptroller and the State Treasurer, upon
13 receipt of such notification, shall transfer such excess
14 amount from the Illinois Standardbred Breeders Fund to the
15 General Revenue Fund.

16 (i) A sum equal to 12 1/2% of the first prize money of
17 every purse won by an Illinois conceived and foaled horse
18 shall be paid by the organization licensee conducting the
19 horse race meeting to the breeder of such winning horse from
20 the organization licensee's account ~~share--of--the--money~~
21 ~~wagered~~. Such payment shall not reduce any award to the owner
22 of the horse or reduce the taxes payable under this Act.
23 Such payment shall be delivered by the organization licensee
24 at the end of each month ~~race-meeting~~.

25 (j) The Department of Agriculture shall, by rule, with
26 the assistance and advice of the Illinois Standardbred
27 Breeders Fund Advisory Board:

28 1. Qualify stallions for Illinois Standardbred Breeders
29 Fund breeding; such stallion shall be owned by a resident of
30 the State of Illinois or by an Illinois corporation all of
31 whose shareholders, directors, officers and incorporators are
32 residents of the State of Illinois. Such stallion shall
33 stand for service at and within the State of Illinois at the
34 time of a foal's conception, and such stallion must not stand

1 for service at any place, ~~nor may semen from such stallion be~~
2 transported, outside the State of Illinois during that
3 calendar year in which the foal is conceived and that the
4 owner of the stallion was for the 12 months prior, a resident
5 of Illinois. The articles of agreement of any partnership,
6 joint venture, limited partnership, syndicate, association or
7 corporation and any bylaws and stock certificates must
8 contain a restriction that provides that the ownership or
9 transfer of interest by any one of the persons a party to the
10 agreement can only be made to a person who qualifies as an
11 Illinois resident. Foals conceived outside the State of
12 Illinois from shipped semen from a stallion qualified for
13 breeders' awards under this Section are not eligible to
14 participate in the Illinois conceived and foaled program.

15 2. Provide for the registration of Illinois conceived
16 and foaled horses and no such horse shall compete in the
17 races limited to Illinois conceived and foaled horses unless
18 registered with the Department of Agriculture. The
19 Department of Agriculture may prescribe such forms as may be
20 necessary to determine the eligibility of such horses. No
21 person shall knowingly prepare or cause preparation of an
22 application for registration of such foals containing false
23 information. A mare (dam) must be in the state at least 30
24 days prior to foaling or remain in the State at least 30 days
25 at the time of foaling. Beginning with the 1996 breeding
26 season and for foals of 1997 and thereafter, a foal conceived
27 in the State of Illinois by transported fresh semen may be
28 eligible for Illinois conceived and foaled registration
29 provided all breeding and foaling requirements are met. The
30 stallion must be qualified for Illinois Standardbred Breeders
31 Fund breeding at the time of conception and the mare must be
32 inseminated within the State of Illinois. The foal must be
33 dropped in Illinois and properly registered with the
34 Department of Agriculture in accordance with this Act.

1 3. Provide that at least a 5 day racing program shall be
2 conducted at the State Fair each year, which program shall
3 include at least the following races limited to Illinois
4 conceived and foaled horses: (a) a two year old Trot and
5 Pace, and Filly Division of each; (b) a three year old Trot
6 and Pace, and Filly Division of each; (c) an aged Trot and
7 Pace, and Mare Division of each.

8 4. Provide for the payment of nominating, sustaining and
9 starting fees for races promoting the sport of harness racing
10 and for the races to be conducted at the State Fair as
11 provided in subsection (j) 3 of this Section provided that
12 the nominating, sustaining and starting payment required from
13 an entrant shall not exceed 2% of the purse of such race.
14 All nominating, sustaining and starting payments shall be
15 held for the benefit of entrants and shall be paid out as
16 part of the respective purses for such races. Nominating,
17 sustaining and starting fees shall be held in trust accounts
18 for the purposes as set forth in this Act and in accordance
19 with Section 205-15 of the Department of Agriculture Law (20
20 ILCS 205/205-15).

21 5. Provide for the registration with the Department of
22 Agriculture of Colt Associations or county fairs desiring to
23 sponsor races at county fairs.

24 (k) The Department of Agriculture, with the advice and
25 assistance of the Illinois Standardbred Breeders Fund
26 Advisory Board, may allocate monies for purse supplements for
27 such races. In determining whether to allocate money and the
28 amount, the Department of Agriculture shall consider factors,
29 including but not limited to, the amount of money
30 appropriated for the Illinois Standardbred Breeders Fund
31 program, the number of races that may occur, and an
32 organizational licensee's purse structure. The
33 organizational licensee shall notify the Department of
34 Agriculture of the conditions and minimum purses for races

1 limited to Illinois conceived and foaled horses to be
2 conducted by each organizational licensee conducting a
3 harness racing meeting for which purse supplements have been
4 negotiated.

5 (l) All races held at county fairs and the State Fair
6 which receive funds from the Illinois Standardbred Breeders
7 Fund shall be conducted in accordance with the rules of the
8 United States Trotting Association unless otherwise modified
9 by the Department of Agriculture.

10 (m) At all standardbred race meetings held or conducted
11 under authority of a license granted by the Board, and at all
12 standardbred races held at county fairs which are approved by
13 the Department of Agriculture or at the Illinois or DuQuoin
14 State Fairs, no one shall jog, train, warm up or drive a
15 standardbred horse unless he or she is wearing a protective
16 safety helmet, with the chin strap fastened and in place,
17 which meets the standards and requirements as set forth in
18 the 1984 Standard for Protective Headgear for Use in Harness
19 Racing and Other Equestrian Sports published by the Snell
20 Memorial Foundation, or any standards and requirements for
21 headgear the Illinois Racing Board may approve. Any other
22 standards and requirements so approved by the Board shall
23 equal or exceed those published by the Snell Memorial
24 Foundation. Any equestrian helmet bearing the Snell label
25 shall be deemed to have met those standards and requirements.
26 (Source: P.A. 91-239, eff. 1-1-00.)

27 (230 ILCS 5/34.2 new)

28 Sec. 34.2. Racetrack consolidation.

29 (a) Findings. The General Assembly finds that
30 encouraging organization licensees to consolidate will be
31 beneficial to the horse racing industry. The General
32 Assembly declares it to be the public policy of this State to
33 enhance the viability of the horse racing industry by

1 encouraging organization licensees to consolidate and not be
2 penalized or lose any rights, benefits, or powers by reason
3 of such consolidation.

4 (b) Consolidation. Notwithstanding any provision of
5 this Act to the contrary, if 2 or more former or existing
6 organization licensees consolidate into a single organization
7 licensee or otherwise form a joint venture, corporation,
8 limited liability company, or similar consolidated enterprise
9 (consolidated organization licensee) whereby the consolidated
10 organization licensee makes application or joint application,
11 as the case may be, as a single organization licensee, or
12 such existing licensees, after consolidation, make separate
13 applications in the names of such pre-existing licensees, the
14 newly consolidated organization licensee or each such
15 separate pre-existing licensee shall thereafter retain and be
16 entitled to all of the rights, benefits, powers, and
17 obligations under this Act that would have otherwise accrued
18 to each such individual pre-consolidation organization
19 licensee but for such consolidation, regardless of whether
20 all or a portion of the facilities of a pre-consolidation
21 licensee are sold, transferred, or otherwise cease to be
22 utilized by the newly consolidated organization licensee or
23 either of the pre-existing licensees. Such multiple rights,
24 benefits, powers, and obligations shall include, but not be
25 limited to:

26 (1) the authority to make application for and
27 receive, within the discretion of the Board, racing
28 dates, including host track days, in the same manner as
29 the individual pre-consolidation organization licensees
30 and the racetracks from which the organization licensees
31 derive their licenses;

32 (2) the right to retain the existing inter-track
33 wagering licenses and inter-track wagering location
34 licenses of the individual pre-consolidation organization

1 licensees and the racetracks from which the organization
2 licensees derive their licenses, and the authority to
3 make application for future inter-track wagering licenses
4 and inter-track wagering location licenses in the same
5 manner as each individual pre-consolidation organization
6 licensee and the racetracks from which each
7 pre-consolidation organization licensee derives its
8 license had or has in its own right; and

9 (3) all existing and future rights, benefits, and
10 powers that the individual pre-consolidation organization
11 licensees and the racetracks from which the organization
12 licensees derive their licenses would have had or
13 received but for the consolidation, provided that nothing
14 in this Section shall be deemed to create in the
15 consolidated organization licensee any rights superior to
16 those of a non-consolidated licensee, except as
17 specifically provided in this Section.

18 The newly consolidated organization licensee shall be
19 subject to such taxation and fees as other similarly situated
20 organization licensees. This Section shall apply to any
21 consolidation occurring after January 1, 2002.

22 (230 ILCS 5/36) (from Ch. 8, par. 37-36)

23 Sec. 36. (a) Whoever administers or conspires to
24 administer to any horse a hypnotic, narcotic, stimulant,
25 depressant or any chemical substance which may affect the
26 speed of a horse at any time in any race where the purse or
27 any part of the purse is made of money authorized by any
28 Section of this Act, except those chemical substances
29 permitted by ruling of the Board, internally, externally or
30 by hypodermic method in a race or prior thereto, or whoever
31 knowingly enters a horse in any race within a period of 24
32 hours after any hypnotic, narcotic, stimulant, depressant or
33 any other chemical substance which may affect the speed of a

1 horse at any time, except those chemical substances permitted
2 by ruling of the Board, has been administered to such horse
3 either internally or externally or by hypodermic method for
4 the purpose of increasing or retarding the speed of such
5 horse shall be guilty of a Class 4 felony. The Board shall
6 suspend or revoke such violator's license.

7 (b) The term "hypnotic" as used in this Section includes
8 all barbituric acid preparations and derivatives.

9 (c) The term "narcotic" as used in this Section includes
10 opium and all its alkaloids, salts, preparations and
11 derivatives, cocaine and all its salts, preparations and
12 derivatives and substitutes.

13 (d) The provisions of this Section 36 and the treatment
14 authorized herein apply to horses entered in and competing in
15 race meetings as defined in Section 3.47 of this Act and to
16 horses entered in and competing at any county fair.

17 (Source: P.A. 79-1185.)

18 (230 ILCS 5/42) (from Ch. 8, par. 37-42)

19 Sec. 42. (a) Except as to the distribution of monies
20 provided for by Sections 28, 29, 30, and 31 and the treating
21 of horses as provided in Section 36, nothing whatsoever in
22 this Act shall be held or taken to apply to county fairs and
23 State Fairs or to agricultural and livestock exhibitions
24 where the pari-mutuel system of wagering upon the result of
25 horses is not permitted or conducted.

26 (b) Nothing herein shall be construed to permit the
27 pari-mutuel method of wagering upon any race track unless
28 such race track is licensed under this Act. It is hereby
29 declared to be unlawful for any person to permit, conduct or
30 supervise upon any race track ground the pari-mutuel method
31 of wagering except in accordance with the provisions of this
32 Act.

33 (c) Whoever violates subsection (b) of this Section is

1 guilty of a Class 4 felony.

2 (Source: P.A. 89-16, eff. 5-30-95.)

3 (230 ILCS 5/56 new)

4 Sec. 56. Electronic gaming.

5 (a) An organization licensee may apply to the Gaming
6 Board for an electronic gaming license. An electronic gaming
7 license shall authorize its holder to conduct gambling at
8 slot machines on the grounds of the licensee's race track.
9 Only one organization licensee per race track may be awarded
10 an electronic gaming license. Each license shall specify the
11 number of slot machines that its holder may operate. An
12 electronic gaming licensee may not permit persons under 21
13 years of age to be present in its electronic gaming facility,
14 but the licensee may accept wagers on live racing and
15 inter-track wagers at its electronic gaming facility.

16 (b) The adjusted gross receipts received by an
17 electronic gaming licensee from electronic gaming remaining
18 after the payment of taxes under Section 13 of the Riverboat
19 Gambling Act shall be distributed as follows:

20 77.5% shall be retained by the licensee;

21 20% shall be paid to purse equity accounts;

22 1.75% shall be paid to the Illinois Thoroughbred
23 Breeders Fund and the Illinois Standardbred Breeders
24 Fund, divided pro rata based on the proportion of live
25 thoroughbred racing and live standardbred racing
26 conducted at that licensee's race track;

27 0.25% shall be paid to the Illinois Quarter Horse
28 Breeders Fund;

29 0.125% shall be paid to the University of Illinois
30 for equine research;

31 0.125% shall be paid to the Racing Industry
32 Charitable Foundation;

33 0.25% shall be paid to the licensee's live racing

1 and horse ownership promotional account.
2 Of the moneys paid to purse equity accounts by an
3 electronic gaming licensee, 58% shall be paid to the
4 licensee's thoroughbred purse equity account and 42% shall be
5 paid to the licensee's standardbred purse equity account.

6 Section 80. The Riverboat Gambling Act is amended by
7 changing Sections 3, 4, 5, 7, 8, 9, 11, 11.1, 12, 13, 14, 18,
8 19, and 20 and adding Sections 7.4 and 7.5 as follows:

9 (230 ILCS 10/3) (from Ch. 120, par. 2403)

10 Sec. 3. Riverboat Gambling Authorized.

11 (a) Riverboat gambling operations and electronic gaming
12 operations ~~and the system of wagering incorporated therein,~~
13 as defined in this Act, are hereby authorized to the extent
14 that they are carried out in accordance with the provisions
15 of this Act.

16 (b) This Act does not apply to the pari-mutuel system of
17 wagering used or intended to be used in connection with the
18 horse-race meetings as authorized under the Illinois Horse
19 Racing Act of 1975, lottery games authorized under the
20 Illinois Lottery Law, bingo authorized under the Bingo
21 License and Tax Act, charitable games authorized under the
22 Charitable Games Act or pull tabs and jar games conducted
23 under the Illinois Pull Tabs and Jar Games Act. This Act does
24 apply to electronic gaming authorized under the Illinois
25 Horse Racing Act of 1975 to the extent provided in that Act
26 and in this Act.

27 (c) Riverboat gambling conducted pursuant to this Act
28 may be authorized upon any water within the State of Illinois
29 or any water other than Lake Michigan which constitutes a
30 boundary of the State of Illinois. Notwithstanding any
31 provision in this subsection (c) to the contrary, a licensee
32 that receives its license pursuant to subsection (e-5) of

1 Section 7 authorizing its holder to conduct riverboat
 2 gambling from a home dock in Lake County may conduct
 3 riverboat gambling on Lake Michigan from a home dock located
 4 on Lake Michigan. Notwithstanding any provision in this
 5 subsection (c) to the contrary, a licensee may conduct
 6 gambling at its home dock facility as provided in Sections 7
 7 and 11. A licensee may conduct riverboat gambling authorized
 8 under this Act regardless of whether it conducts excursion
 9 cruises. A licensee may permit the continuous ingress and
 10 egress of passengers for the purpose of gambling.

11 (d) Gambling that is conducted in accordance with this
 12 Act using slot machines shall be authorized at electronic
 13 gaming facilities as provided in this Act.

14 (Source: P.A. 91-40, eff. 6-25-99.)

15 (230 ILCS 10/4) (from Ch. 120, par. 2404)

16 Sec. 4. Definitions. As used in this Act:

17 {a} "Board" means the Illinois Gaming Board.

18 {b} "Occupational license" means a license issued by the
 19 Board to a person or entity to perform an occupation which
 20 the Board has identified as requiring a license to engage in
 21 riverboat gambling in Illinois.

22 {c} "Gambling game" includes, but is not limited to,
 23 baccarat, twenty-one, poker, craps, slot machine, video game
 24 of chance, roulette wheel, klondike table, punchboard, faro
 25 layout, keno layout, numbers ticket, push card, jar ticket,
 26 or pull tab which is authorized by the Board as a wagering
 27 device under this Act.

28 {d} "Riverboat" means a self-propelled excursion boat, a
 29 permanently moored barge, or permanently moored barges that
 30 are permanently fixed together to operate as one vessel, on
 31 which lawful gambling is authorized and licensed as provided
 32 in this Act.

33 {e}--(Blank)-

1 (f) "Dock" means the location where a riverboat moors
2 for the purpose of embarking passengers for and disembarking
3 passengers from the riverboat.

4 (g) "Gross receipts" means the total amount of money
5 exchanged for the purchase of chips, tokens or electronic
6 cards by riverboat patrons or electronic gaming operation
7 patrons.

8 (h) "Adjusted gross receipts" means the gross receipts
9 less winnings paid to wagerers.

10 (i) "Cheat" means to alter the selection of criteria
11 which determine the result of a gambling game or the amount
12 or frequency of payment in a gambling game.

13 (j) "Department" means the Department of Revenue.

14 (k) "Gambling operation" means the conduct of authorized
15 gambling games authorized under this Act on upon a riverboat
16 or authorized under this Act and the Illinois Horse Racing
17 Act of 1975 at an electronic gaming facility.

18 "Owners license" means a license to conduct riverboat
19 gambling operations, but does not include an electronic
20 gaming license.

21 "Licensed owner" means a person who holds an owners
22 license.

23 "Electronic gaming license" means a license issued by the
24 Board under Section 7.4 of this Act authorizing electronic
25 gaming at an electronic gaming facility.

26 "Electronic gaming" means the conduct of gambling using
27 slot machines at a race track licensed under the Illinois
28 Horse Racing Act of 1975 pursuant to the Illinois Horse
29 Racing Act of 1975 and this Act.

30 "Electronic gaming facility" means the area where the
31 Board has authorized limited gaming at a race track of an
32 organization licensee under the Illinois Horse Racing Act of
33 1975 that holds an electronic gaming license.

34 "Organization licensee" means an entity authorized by the

1 Illinois Racing Board to conduct pari-mutuel wagering in
2 accordance with the Illinois Horse Racing Act of 1975.

3 (Source: P.A. 91-40, eff. 6-25-99; 92-600, eff. 6-28-02.)

4 (230 ILCS 10/5) (from Ch. 120, par. 2405)

5 Sec. 5. Gaming Board.

6 (a) (1) There is hereby established within the
7 Department of Revenue an Illinois Gaming Board which shall
8 have the powers and duties specified in this Act, and all
9 other powers necessary and proper to fully and effectively
10 execute this Act for the purpose of administering,
11 regulating, and enforcing the system of riverboat gambling
12 established by this Act. Its jurisdiction shall extend under
13 this Act to every person, association, corporation,
14 partnership and trust involved in riverboat gambling
15 operations in the State of Illinois.

16 (2) The Board shall consist of 5 members to be appointed
17 by the Governor with the advice and consent of the Senate,
18 one of whom shall be designated by the Governor to be
19 chairman. Each member shall have a reasonable knowledge of
20 the practice, procedure and principles of gambling
21 operations. Each member shall either be a resident of
22 Illinois or shall certify that he will become a resident of
23 Illinois before taking office. At least one member shall be
24 experienced in law enforcement and criminal investigation, at
25 least one member shall be a certified public accountant
26 experienced in accounting and auditing, and at least one
27 member shall be a lawyer licensed to practice law in
28 Illinois.

29 (3) The terms of office of the Board members shall be 3
30 years, except that the terms of office of the initial Board
31 members appointed pursuant to this Act will commence from the
32 effective date of this Act and run as follows: one for a
33 term ending July 1, 1991, 2 for a term ending July 1, 1992,

1 and 2 for a term ending July 1, 1993. Upon the expiration of
2 the foregoing terms, the successors of such members shall
3 serve a term for 3 years and until their successors are
4 appointed and qualified for like terms. Vacancies in the
5 Board shall be filled for the unexpired term in like manner
6 as original appointments. Each member of the Board shall be
7 eligible for reappointment at the discretion of the Governor
8 with the advice and consent of the Senate.

9 (4) Each member of the Board shall receive \$300 for each
10 day the Board meets and for each day the member conducts any
11 hearing pursuant to this Act. Each member of the Board shall
12 also be reimbursed for all actual and necessary expenses and
13 disbursements incurred in the execution of official duties.

14 (5) No person shall be appointed a member of the Board
15 or continue to be a member of the Board who is, or whose
16 spouse, child or parent is, a member of the board of
17 directors of, or a person financially interested in, any
18 gambling operation subject to the jurisdiction of this Board,
19 or any race track, race meeting, racing association or the
20 operations thereof subject to the jurisdiction of the
21 Illinois Racing Board. No Board member shall hold any other
22 public office for which he shall receive compensation other
23 than necessary travel or other incidental expenses. No
24 person shall be a member of the Board who is not of good
25 moral character or who has been convicted of, or is under
26 indictment for, a felony under the laws of Illinois or any
27 other state, or the United States.

28 (6) Any member of the Board may be removed by the
29 Governor for neglect of duty, misfeasance, malfeasance, or
30 nonfeasance in office.

31 (7) Before entering upon the discharge of the duties of
32 his office, each member of the Board shall take an oath that
33 he will faithfully execute the duties of his office according
34 to the laws of the State and the rules and regulations

1 adopted therewith and shall give bond to the State of
2 Illinois, approved by the Governor, in the sum of \$25,000.
3 Every such bond, when duly executed and approved, shall be
4 recorded in the office of the Secretary of State. Whenever
5 the Governor determines that the bond of any member of the
6 Board has become or is likely to become invalid or
7 insufficient, he shall require such member forthwith to renew
8 his bond, which is to be approved by the Governor. Any
9 member of the Board who fails to take oath and give bond
10 within 30 days from the date of his appointment, or who fails
11 to renew his bond within 30 days after it is demanded by the
12 Governor, shall be guilty of neglect of duty and may be
13 removed by the Governor. The cost of any bond given by any
14 member of the Board under this Section shall be taken to be a
15 part of the necessary expenses of the Board.

16 (8) Upon the request of the Board, the Department shall
17 employ such personnel as may be necessary to carry out the
18 functions of the Board. No person shall be employed to serve
19 the Board who is, or whose spouse, parent or child is, an
20 official of, or has a financial interest in or financial
21 relation with, any operator engaged in gambling operations
22 within this State or any organization engaged in conducting
23 horse racing within this State. Any employee violating these
24 prohibitions shall be subject to termination of employment.

25 (9) An Administrator shall perform any and all duties
26 that the Board shall assign him. The salary of the
27 Administrator shall be determined by the Board and approved
28 by the Director of the Department and, in addition, he shall
29 be reimbursed for all actual and necessary expenses incurred
30 by him in discharge of his official duties. The
31 Administrator shall keep records of all proceedings of the
32 Board and shall preserve all records, books, documents and
33 other papers belonging to the Board or entrusted to its care.
34 The Administrator shall devote his full time to the duties of

1 the office and shall not hold any other office or employment.

2 (b) The Board shall have general responsibility for the
3 implementation of this Act. Its duties include, without
4 limitation, the following:

5 (1) To decide promptly and in reasonable order all
6 license applications. Any party aggrieved by an action of
7 the Board denying, suspending, revoking, restricting or
8 refusing to renew a license may request a hearing before
9 the Board. A request for a hearing must be made to the
10 Board in writing within 5 days after service of notice of
11 the action of the Board. Notice of the action of the
12 Board shall be served either by personal delivery or by
13 certified mail, postage prepaid, to the aggrieved party.
14 Notice served by certified mail shall be deemed complete
15 on the business day following the date of such mailing.
16 The Board shall conduct all requested hearings promptly
17 and in reasonable order;

18 (2) To conduct all hearings pertaining to civil
19 violations of this Act or rules and regulations
20 promulgated hereunder;

21 (3) To promulgate such rules and regulations as in
22 its judgment may be necessary to protect or enhance the
23 credibility and integrity of gambling operations
24 authorized by this Act and the regulatory process
25 hereunder;

26 (4) To provide for the establishment and collection
27 of all license and registration fees and taxes imposed by
28 this Act and the rules and regulations issued pursuant
29 hereto. All such fees and taxes shall be deposited into
30 the State Gaming Fund;

31 (5) To provide for the levy and collection of
32 penalties and fines for the violation of provisions of
33 this Act and the rules and regulations promulgated
34 hereunder. All such fines and penalties shall be

1 deposited into the Education Assistance Fund, created by
2 Public Act 86-0018, of the State of Illinois;

3 (6) To be present through its inspectors and agents
4 any time gambling operations are conducted on any
5 riverboat or at any electronic gaming facility for the
6 purpose of certifying the revenue thereof, receiving
7 complaints from the public, and conducting such other
8 investigations into the conduct of the gambling games and
9 the maintenance of the equipment as from time to time the
10 Board may deem necessary and proper;

11 (7) To review and rule upon any complaint by a
12 licensee regarding any investigative procedures of the
13 State which are unnecessarily disruptive of gambling
14 operations. The need to inspect and investigate shall be
15 presumed at all times. The disruption of a licensee's
16 operations shall be proved by clear and convincing
17 evidence, and establish that: (A) the procedures had no
18 reasonable law enforcement purposes, and (B) the
19 procedures were so disruptive as to unreasonably inhibit
20 gambling operations;

21 (8) To hold at least one meeting each quarter of
22 the fiscal year. In addition, special meetings may be
23 called by the Chairman or any 2 Board members upon 72
24 hours written notice to each member. All Board meetings
25 shall be subject to the Open Meetings Act. Three members
26 of the Board shall constitute a quorum, and 3 votes shall
27 be required for any final determination by the Board.
28 The Board shall keep a complete and accurate record of
29 all its meetings. A majority of the members of the Board
30 shall constitute a quorum for the transaction of any
31 business, for the performance of any duty, or for the
32 exercise of any power which this Act requires the Board
33 members to transact, perform or exercise en banc, except
34 that, upon order of the Board, one of the Board members

1 or an administrative law judge designated by the Board
2 may conduct any hearing provided for under this Act or by
3 Board rule and may recommend findings and decisions to
4 the Board. The Board member or administrative law judge
5 conducting such hearing shall have all powers and rights
6 granted to the Board in this Act. The record made at the
7 time of the hearing shall be reviewed by the Board, or a
8 majority thereof, and the findings and decision of the
9 majority of the Board shall constitute the order of the
10 Board in such case;

11 (9) To maintain records which are separate and
12 distinct from the records of any other State board or
13 commission. Such records shall be available for public
14 inspection and shall accurately reflect all Board
15 proceedings;

16 (10) To file a written annual report with the
17 Governor on or before March 1 each year and such
18 additional reports as the Governor may request. The
19 annual report shall include a statement of receipts and
20 disbursements by the Board, actions taken by the Board,
21 and any additional information and recommendations which
22 the Board may deem valuable or which the Governor may
23 request;

24 (11) (Blank); and

25 (12) To assume responsibility for the
26 administration and enforcement of the Bingo License and
27 Tax Act, the Charitable Games Act, and the Pull Tabs and
28 Jar Games Act if such responsibility is delegated to it
29 by the Director of Revenue; and-

30 (13) To assume responsibility for the
31 administration and enforcement of operations at
32 electronic gaming facilities pursuant to this Act and the
33 Illinois Horse Racing Act of 1975.

34 (c) The Board shall have jurisdiction over and shall

1 supervise all gambling operations governed by this Act. The
2 Board shall have all powers necessary and proper to fully and
3 effectively execute the provisions of this Act, including,
4 but not limited to, the following:

5 (1) To investigate applicants and determine the
6 eligibility of applicants for licenses and to select
7 among competing applicants the applicants which best
8 serve the interests of the citizens of Illinois.

9 (2) To have jurisdiction and supervision over all
10 ~~riverboat~~ gambling operations authorized under this Act
11 ~~in--this--State~~ and all persons in places on riverboats
12 where gambling operations are conducted.

13 (3) To promulgate rules and regulations for the
14 purpose of administering the provisions of this Act and
15 to prescribe rules, regulations and conditions under
16 which all ~~riverboat~~ gambling operations subject to this
17 Act in-the-State shall be conducted. Such rules and
18 regulations are to provide for the prevention of
19 practices detrimental to the public interest and for the
20 best interests of ~~riverboat~~ gambling, including rules and
21 regulations regarding the inspection of electronic gaming
22 facilities and such riverboats and the review of any
23 permits or licenses necessary to operate a riverboat
24 under any laws or regulations applicable to riverboats,
25 and to impose penalties for violations thereof.

26 (4) To enter the office, riverboats, electronic
27 gaming facilities, and other facilities, or other places
28 of business of a licensee, where evidence of the
29 compliance or noncompliance with the provisions of this
30 Act is likely to be found.

31 (5) To investigate alleged violations of this Act
32 or the rules of the Board and to take appropriate
33 disciplinary action against a licensee or a holder of an
34 occupational license for a violation, or institute

1 appropriate legal action for enforcement, or both.

2 (6) To adopt standards for the licensing of all
3 persons under this Act, as well as for electronic or
4 mechanical gambling games, and to establish fees for such
5 licenses.

6 (7) To adopt appropriate standards for all
7 electronic gaming facilities, riverboats, and other
8 facilities authorized under this Act.

9 (8) To require that the records, including
10 financial or other statements of any licensee under this
11 Act, shall be kept in such manner as prescribed by the
12 Board and that any such licensee involved in the
13 ownership or management of gambling operations submit to
14 the Board an annual balance sheet and profit and loss
15 statement, list of the stockholders or other persons
16 having a 1% or greater beneficial interest in the
17 gambling activities of each licensee, and any other
18 information the Board deems necessary in order to
19 effectively administer this Act and all rules,
20 regulations, orders and final decisions promulgated under
21 this Act.

22 (9) To conduct hearings, issue subpoenas for the
23 attendance of witnesses and subpoenas duces tecum for the
24 production of books, records and other pertinent
25 documents in accordance with the Illinois Administrative
26 Procedure Act, and to administer oaths and affirmations
27 to the witnesses, when, in the judgment of the Board, it
28 is necessary to administer or enforce this Act or the
29 Board rules.

30 (10) To prescribe a form to be used by any licensee
31 involved in the ownership or management of gambling
32 operations as an application for employment for their
33 employees.

34 (11) To revoke or suspend licenses, as the Board

1 may see fit and in compliance with applicable laws of the
2 State regarding administrative procedures, and to review
3 applications for the renewal of licenses. The Board may
4 suspend an owners license or electronic gaming license,
5 without notice or hearing, upon a determination that the
6 safety or health of patrons or employees is jeopardized
7 by continuing a gambling operation conducted under that
8 license a--riverbeat's--operation. The suspension may
9 remain in effect until the Board determines that the
10 cause for suspension has been abated. The Board may
11 revoke the owners license or electronic gaming license
12 upon a determination that the licensee owner has not made
13 satisfactory progress toward abating the hazard.

14 (12) To eject or exclude or authorize the ejection
15 or exclusion of, any person from ~~riverbeat~~ gambling
16 facilities where that such person is in violation of this
17 Act, rules and regulations thereunder, or final orders of
18 the Board, or where such person's conduct or reputation
19 is such that his or her presence within the ~~riverbeat~~
20 gambling facilities may, in the opinion of the Board,
21 call into question the honesty and integrity of the
22 gambling operations or interfere with the orderly conduct
23 thereof; provided that the propriety of such ejection or
24 exclusion is subject to subsequent hearing by the Board.

25 (13) To require all licensees of gambling
26 operations to utilize a cashless wagering system whereby
27 all players' money is converted to tokens, electronic
28 cards, or chips which shall be used only for wagering in
29 the gambling establishment.

30 (14) (Blank).

31 (15) To suspend, revoke or restrict licenses, to
32 require the removal of a licensee or an employee of a
33 licensee for a violation of this Act or a Board rule or
34 for engaging in a fraudulent practice, and to impose

1 civil penalties of up to \$5,000 against individuals and
2 up to \$10,000 or an amount equal to the daily gross
3 receipts, whichever is larger, against licensees for each
4 violation of any provision of the Act, any rules adopted
5 by the Board, any order of the Board or any other action
6 which, in the Board's discretion, is a detriment or
7 impediment to riverboat gambling operations.

8 (16) To hire employees to gather information,
9 conduct investigations and carry out any other tasks
10 contemplated under this Act.

11 (17) To establish minimum levels of insurance to be
12 maintained by licensees.

13 (18) To authorize a licensee to sell or serve
14 alcoholic liquors, wine or beer as defined in the Liquor
15 Control Act of 1934 on board a riverboat and to have
16 exclusive authority to establish the hours for sale and
17 consumption of alcoholic liquor on board a riverboat,
18 notwithstanding any provision of the Liquor Control Act
19 of 1934 or any local ordinance, and regardless of whether
20 the riverboat makes excursions. The establishment of the
21 hours for sale and consumption of alcoholic liquor on
22 board a riverboat is an exclusive power and function of
23 the State. A home rule unit may not establish the hours
24 for sale and consumption of alcoholic liquor on board a
25 riverboat. This subdivision (18) amendatory Act of 1991
26 is a denial and limitation of home rule powers and
27 functions under subsection (h) of Section 6 of Article
28 VII of the Illinois Constitution.

29 (19) After consultation with the U.S. Army Corps of
30 Engineers, to establish binding emergency orders upon the
31 concurrence of a majority of the members of the Board
32 regarding the navigability of water, relative to
33 excursions, in the event of extreme weather conditions,
34 acts of God or other extreme circumstances.

1 (20) To delegate the execution of any of its powers
2 under this Act for the purpose of administering and
3 enforcing this Act and its rules and regulations
4 hereunder.

5 (21) To make rules concerning the conduct of
6 electronic gaming.

7 (22) ~~(21)~~ To take any other action as may be
8 reasonable or appropriate to enforce this Act and rules
9 and regulations hereunder.

10 (d) The Board may seek and shall receive the cooperation
11 of the Department of State Police in conducting background
12 investigations of applicants and in fulfilling its
13 responsibilities under this Section. Costs incurred by the
14 Department of State Police as a result of such cooperation
15 shall be paid by the Board in conformance with the
16 requirements of Section 2605-400 of the Department of State
17 Police Law (20 ILCS 2605/2605-400).

18 (e) The Board must authorize to each investigator and to
19 any other employee of the Board exercising the powers of a
20 peace officer a distinct badge that, on its face, (i) clearly
21 states that the badge is authorized by the Board and (ii)
22 contains a unique identifying number. No other badge shall
23 be authorized by the Board.

24 (Source: P.A. 91-40, eff. 1-1-00; 91-239, eff. 1-1-00;
25 91-883, eff. 1-1-01.)

26 (230 ILCS 10/7) (from Ch. 120, par. 2407)

27 Sec. 7. Owners Licenses.

28 (a) The Board shall issue owners licenses to persons,
29 firms or corporations which apply for such licenses upon
30 payment to the Board of the non-refundable license fee set by
31 the Board, upon payment of a \$25,000 license fee for the
32 first year of operation and a \$5,000 license fee for each
33 succeeding year and upon a determination by the Board that

1 the applicant is eligible for an owners license pursuant to
2 this Act and the rules of the Board. A person, firm or
3 corporation is ineligible to receive an owners license if:

4 (1) the person has been convicted of a felony under
5 the laws of this State, any other state, or the United
6 States;

7 (2) the person has been convicted of any violation
8 of Article 28 of the Criminal Code of 1961, or
9 substantially similar laws of any other jurisdiction;

10 (3) the person has submitted an application for a
11 license under this Act which contains false information;

12 (4) the person is a member of the Board;

13 (5) a person defined in (1), (2), (3) or (4) is an
14 officer, director or managerial employee of the firm or
15 corporation;

16 (6) the firm or corporation employs a person
17 defined in (1), (2), (3) or (4) who participates in the
18 management or operation of gambling operations authorized
19 under this Act;

20 (7) (blank); or

21 (8) a license of the person, firm or corporation
22 issued under this Act, or a license to own or operate
23 gambling facilities in any other jurisdiction, has been
24 revoked.

25 (b) In determining whether to grant an owners license to
26 an applicant, the Board shall consider:

27 (1) the character, reputation, experience and
28 financial integrity of the applicants and of any other or
29 separate person that either:

30 (A) controls, directly or indirectly, such
31 applicant, or

32 (B) is controlled, directly or indirectly, by
33 such applicant or by a person which controls,
34 directly or indirectly, such applicant;

1 (2) the facilities or proposed facilities for the
2 conduct of riverboat gambling;

3 (3) the highest prospective total revenue to be
4 derived by the State from the conduct of riverboat
5 gambling;

6 (4) the good faith affirmative action plan of each
7 applicant to recruit, train and upgrade minorities in all
8 employment classifications;

9 (5) the financial ability of the applicant to
10 purchase and maintain adequate liability and casualty
11 insurance;

12 (6) whether the applicant has adequate
13 capitalization to provide and maintain, for the duration
14 of a license, a riverboat; and

15 (7) the extent to which the applicant exceeds or
16 meets other standards for the issuance of an owners
17 license which the Board may adopt by rule.

18 (c) Each owners license shall specify the place where
19 riverboats shall operate and dock.

20 (d) Each applicant shall submit with his application, on
21 forms provided by the Board, 2 sets of his fingerprints.

22 (e) In addition to the licenses authorized under
23 subsection (e-5), the Board may issue up to 10 licenses
24 authorizing the holders of such licenses to own riverboats.
25 In the application for an owners license, the applicant shall
26 state the dock at which the riverboat is based and the water
27 on which the riverboat will be located. The Board shall
28 issue 5 licenses to become effective not earlier than January
29 1, 1991. Three of such licenses shall authorize riverboat
30 gambling on the Mississippi River or, with approval by the
31 municipality in which the riverboat is docked on the
32 effective date of this amendatory Act of the 93rd Assembly,
33 in a municipality that (1) borders on the Mississippi River
34 or is within 5 miles of the city limits of a municipality

1 that borders on the Mississippi River and (2) on the
2 effective date of this amendatory Act of the 93rd General
3 Assembly, has a riverboat conducting riverboat gambling
4 operations pursuant to a license issued under this Act, one
5 of which shall authorize riverboat gambling from a home dock
6 in the city of East St. Louis,--and--one--of--which--shall
7 ~~authorize riverboat gambling on the Mississippi River or in a~~
8 ~~municipality--that--(1)--borders--on--the--Mississippi--River--or--is~~
9 ~~within 5 miles of the city--limits--of--a--municipality--that~~
10 ~~borders--on--the--Mississippi--River--and--(2)--on--the--effective~~
11 ~~date--of--this--amendatory--Act--of--the--92nd--General--Assembly--has~~
12 ~~a--riverboat--conducting--riverboat--gambling--operations--pursuant~~
13 ~~to--a--license--issued--under--this--Act.~~ One other license shall
14 authorize riverboat gambling on the Illinois River south of
15 Marshall County. The Board shall issue one additional
16 license to become effective not earlier than March 1, 1992,
17 which shall authorize riverboat gambling on the Des Plaines
18 River in Will County. The Board may issue 4 additional
19 licenses to become effective not earlier than March 1, 1992.
20 In determining the water upon which riverboats will operate,
21 the Board shall consider the economic benefit which riverboat
22 gambling confers on the State, and shall seek to assure that
23 all regions of the State share in the economic benefits of
24 riverboat gambling.

25 (e-5) In addition to the licenses authorized under
26 subsection (e), the Board may issue 2 additional licenses
27 authorizing riverboat gambling. One of the licenses issued
28 under this subsection (e-5) shall authorize its holder to
29 conduct riverboat gambling from a home dock located in the
30 most populous municipality within Lake County and shall
31 authorize its holder to conduct riverboat gambling on Lake
32 Michigan. The other license issued under this subsection
33 (e-5) shall authorize its holder to conduct riverboat
34 gambling in Cook County and south of Interstate 55 from a

1 home dock located on either the Little Calumet River or the
2 Cal-Sag Channel.

3 Licenses authorized under this subsection (e-5) shall be
4 awarded pursuant to a process of competitive bidding to the
5 highest bidder that is eligible to hold an owners license
6 under this Act. The minimum bid for an owners license under
7 this subsection (e-5) shall be \$250,000,000.

8 Any licensee that receives its license under this
9 subsection (e-5) shall attain a level of at least 20%
10 minority person and female ownership, at least 16% and 4%
11 respectively, within a time period prescribed by the Board,
12 but not to exceed 12 months from the date the licensee begins
13 conducting riverboat gambling. The 12-month period shall be
14 extended by the amount of time necessary to conduct a
15 background investigation pursuant to Section 6. For the
16 purposes of this Section, the terms "female" and "minority
17 person" have the meanings provided in Section 2 of the
18 Business Enterprise for Minorities, Females, and Persons with
19 Disabilities Act.

20 (e-10) In granting all licenses, the Board may give
21 favorable consideration to economically depressed areas of
22 the State, to applicants presenting plans which provide for
23 significant economic development over a large geographic
24 area, and to applicants who currently operate non-gambling
25 riverboats in Illinois. The Board shall review all
26 applications for owners licenses, and shall inform each
27 applicant of the Board's decision.

28 (e-15) The Board may revoke the owners license of a
29 licensee which fails to begin conducting gambling within 15
30 months of receipt of the Board's approval of the application
31 if the Board determines that license revocation is in the
32 best interests of the State.

33 If, subsequent to the conduct of riverboat gambling
34 operations under a license issued under this Act, riverboat

1 gambling operations are not conducted under that license for
2 a period of at least 12 months, the license shall be declared
3 dormant and shall be revoked by the Board.

4 (f) The first 10 owners licenses issued under this Act
5 shall permit the holder to own up to 2 riverboats and
6 equipment thereon for a period of 3 years after the effective
7 date of the license. Holders of the first 10 owners licenses
8 must pay the annual license fee for each of the 3 years
9 during which they are authorized to own riverboats.

10 (g) Upon the termination, expiration, or revocation of
11 each of the first 10 licenses, which shall be issued for a 3
12 year period, all licenses are renewable annually upon payment
13 of the fee and a determination by the Board that the licensee
14 continues to meet all of the requirements of this Act and the
15 Board's rules. However, for licenses renewed on or after May
16 1, 1998, renewal shall be for a period of 4 years, unless the
17 Board sets a shorter period.

18 (h) An owners license shall entitle the licensee to own
19 up to 2 riverboats and operate up to 1,200 gaming positions,
20 plus an additional number of positions as provided in
21 subsections (h-5) and (h-10).

22 (h-5) In addition to the 1,200 gaming positions
23 authorized under subsection (h), a licensee may operate
24 gaming positions that it acquires pursuant to this subsection
25 (h-5). A licensee may obtain up to 800 gaming positions
26 under this subsection (h-5). A licensee may purchase
27 additional gaming positions under this subsection (h-5) in
28 groups of 100. The price for each group of 100 gaming
29 positions shall be \$2,000,000. If the Board finds that a
30 licensee is not using some or all of the gaming positions
31 that it obtained under this subsection (h-5), it may withdraw
32 up to 10% of those gaming positions.

33 (h-10) In addition to the gaming positions authorized
34 under subsections (h) and (h-5), an owners licensee may bid

1 on gaming positions that have been withdrawn by the Board.
2 Gaming positions that are subject to competitive bidding
3 under this subsection (h-10) shall be awarded in groups of 10
4 and the minimum bid for a group of 10 positions under this
5 subsection (h-10) shall be \$200,000.

6 (h-15) A licensee may operate both of its riverboats
7 concurrently, provided that the total number of gaming
8 positions on both riverboats does not exceed 1,200 plus the
9 number of gaming positions it receives under the competitive
10 bidding process under subsections (h-5) and (h-10).

11 An owners licensee that is authorized to use in excess of
12 1,200 positions under this subsection (h) may conduct
13 riverboat gambling operations from a land-based temporary
14 facility within or attached to its home dock facility pending
15 the construction of a permanent facility or the remodeling of
16 an existing facility to accommodate those excess positions
17 for up to 24 months after receiving the authority to use
18 those excess positions. Gaming positions located in a
19 temporary facility must be located in an area that is
20 accessible only to persons who are at least 21 years of age.

21 A licensee may not conduct gambling at a temporary facility
22 unless the admission tax imposed under Section 12 has been
23 paid for all persons who enter the temporary facility. The
24 Board shall make rules concerning the conduct of gambling
25 from temporary facilities. A licensee shall limit the number
26 of gambling participants to 1,200 for any such owners
27 license. A licensee may operate both of its riverboats
28 concurrently, provided that the total number of gambling
29 participants on both riverboats does not exceed 1,200.
30 Riverboats licensed to operate on the Mississippi River and
31 the Illinois River south of Marshall County shall have an
32 authorized capacity of at least 500 persons. Any other
33 riverboat licensed under this Act shall have an authorized
34 capacity of at least 400 persons.

1 (i) A licensed owner is authorized to apply to the Board
2 for and, if approved therefor, to receive all licenses from
3 the Board necessary for the operation of a riverboat,
4 including a liquor license, a license to prepare and serve
5 food for human consumption, and other necessary licenses.
6 All use, occupation and excise taxes which apply to the sale
7 of food and beverages in this State and all taxes imposed on
8 the sale or use of tangible personal property apply to such
9 sales aboard the riverboat.

10 (j) The Board may issue a license authorizing a
11 riverboat to dock in a municipality or approve a relocation
12 under Section 11.2 only if, prior to the issuance of the
13 license or approval, the governing body of the municipality
14 in which the riverboat will dock has by a majority vote
15 approved the docking of riverboats in the municipality. The
16 Board may issue a license authorizing a riverboat to dock in
17 areas of a county outside any municipality or approve a
18 relocation under Section 11.2 only if, prior to the issuance
19 of the license or approval, the governing body of the county
20 has by a majority vote approved of the docking of riverboats
21 within such areas.

22 (Source: P.A. 91-40, eff. 6-25-99; 92-600, eff. 6-28-02.)

23 (230 ILCS 10/7.4 new)

24 Sec. 7.4. Electronic gaming.

25 (a) The General Assembly finds that the horse racing and
26 riverboat gambling industries share many similarities and
27 collectively comprise the bulk of the State's gaming
28 industry. One feature in common to both industries is that
29 each is highly regulated by the State of Illinois.

30 The General Assembly further finds, however, that despite
31 their shared features each industry is distinct from the
32 other in that horse racing is and continues to be intimately
33 tied to Illinois' agricultural economy and is, at its core, a

1 spectator sport. This distinction requires the General
2 Assembly to utilize different methods to regulate and promote
3 the horse racing industry throughout the State.

4 The General Assembly finds that in order to promote live
5 horse racing as a spectator sport in Illinois and the
6 agricultural economy of this State, it is necessary to allow
7 electronic gaming at Illinois race tracks given the success
8 of other states in increasing live racing purse accounts and
9 improving the quality of horses participating in horse race
10 meetings.

11 The General Assembly finds, however, that even though the
12 authority to conduct electronic gaming is a uniform means to
13 improve live horse racing in this State, electronic gaming
14 must be regulated and implemented differently in southern
15 Illinois versus the Chicago area. The General Assembly finds
16 that Fairmount Park is the only race track operating on a
17 year round basis in southern Illinois that offers live racing
18 and for that matter only conducts live thoroughbred racing.
19 The General Assembly finds that the current state of affairs
20 deprives spectators and standardbred horsemen residing in
21 southern Illinois of the opportunity to participate in live
22 standardbred racing in a manner similar to spectators,
23 thoroughbred horsemen, and standardbred horsemen residing in
24 the Chicago area. The General Assembly declares that southern
25 Illinois spectators and standardbred horsemen are entitled to
26 have a similar opportunity to participate in live
27 standardbred racing as spectators in the Chicago area. The
28 General Assembly declares that in order to remove this
29 disparity between southern Illinois and the Chicago area, it
30 is necessary for the State to regulate Fairmount Park
31 differently from horse race tracks found in the Chicago area
32 and tie Fairmount Park's authorization to conduct electronic
33 gaming to a commitment to conduct at least 100 days of
34 standardbred racing as set forth in subsection (d) of this

1 Section.

2 (b) The Illinois Gaming Board shall award one electronic
3 gaming license to become effective on or after July 1, 2003
4 to each organization licensee under the Illinois Horse Racing
5 Act of 1975, subject to application and eligibility
6 requirements of this Section. An electronic gaming license
7 shall authorize its holder to conduct electronic gaming at
8 its race track at the following times:

9 (1) on days when it conducts live racing at the
10 track where its electronic gaming facility is located
11 from the time the first race of the day at that track
12 begins until the end of the final race of the day at that
13 race track; and

14 (2) on days when it conducts simulcast wagering on
15 races run in the United States from the time it first
16 receives the simulcast signal until one hour after it
17 stops receiving the simulcast signal. A license to
18 conduct limited gaming and any renewal of a limited
19 owners license shall authorize limited gaming for a
20 period of 4 years.

21 (c) To be eligible to conduct electronic gaming, an
22 organization licensee must (i) obtain an electronic gaming
23 license, (ii) hold an organization license under the Illinois
24 Horse Racing Act of 1975, (iii) hold an inter-track wagering
25 license, (iv) pay a fee of \$50,000 for each position
26 authorized under this amendatory Act of the 93rd General
27 Assembly before beginning to conduct electronic gaming, (v)
28 apply for at least the same number of days of thoroughbred
29 racing or standardbred racing or both, as the case may be, as
30 it was awarded in calendar year 2003, and (vi) meet all other
31 requirements of this Act that apply to owners licensees.

32 With respect to the live racing requirement described in
33 this subsection, an organization licensee must conduct the
34 same number of days of thoroughbred or standardbred racing or

1 both, as the case may be, as it was awarded by the Board,
2 unless a lesser schedule of live racing is the result of (A)
3 weather or unsafe track conditions due to acts of God or (B)
4 a strike between the organization licensee and the
5 associations representing the largest number of owners,
6 trainers, jockeys, or standardbred drivers who race horses at
7 that organization licensee's racing meeting.

8 (d) In addition to the other eligibility requirements of
9 subsection (c), an organization licensee that holds an
10 electronic gaming license authorizing it to conduct
11 electronic gaming at Fairmount Park must apply for and
12 conduct at least 100 days of standardbred racing in calendar
13 year 2004 and thereafter, unless a lesser schedule of live
14 racing is the result of (A) weather or unsafe track
15 conditions due to acts of God or (B) a strike between the
16 organization licensee and the associations representing the
17 largest number of owners, trainers, jockeys, or standardbred
18 drivers who race horses at that organization licensee's
19 racing meeting.

20 (e) The Board may approve electronic gaming licenses
21 authorizing the conduct of electronic gaming by eligible
22 organization licensees.

23 (f) In calendar year 2003, the Board may approve up to
24 3,500 aggregate gambling participants statewide as provided
25 in this Section. The authority to admit participants under
26 this Section in calendar year 2003 shall be allocated as
27 follows:

28 (1) The organization licensee operating at
29 Arlington Park Race Course may operate up to 1,000 gaming
30 positions at a time;

31 (2) The organization licensees operating at
32 Hawthorne Race Course, including the organization
33 licensee formerly operating at Sportsman's Park, may
34 collectively operate up to 900 gaming positions at a

1 time;

2 (3) The organization licensee operating at Balmoral
3 Park may operate up to 450 gaming positions at a time;

4 (4) The organization licensee operating at Maywood
5 Park may operate up to 700 gaming positions at a time;
6 and

7 (5) The organization licensee operating at
8 Fairmount Park may operate up to 450 gaming positions at
9 a time.

10 (g) For each calendar year after 2003 in which an
11 electronic gaming licensee requests a number of racing days
12 under its organization license that is less than 90% of the
13 number of days of live racing it was awarded in 2003, the
14 electronic gaming licensee may not conduct electronic gaming.

15 (h) Upon renewal of an electronic gaming license, if an
16 electronic gaming licensee had a higher average daily live
17 handle in the term of its previous electronic gaming license
18 than in 2003, then the number of participants that the
19 electronic gaming licensee may admit after its license is
20 renewed shall be increased by a percentage equal to the
21 percentage increase in average daily live handle during that
22 previous license term over calendar year 2003, but in no
23 event by more than 10%. If an electronic gaming license is
24 authorized to operate additional positions under this
25 subsection (h), it must pay the fee imposed under item (iv)
26 of subsection (c) for each additional participant.

27 (i) An electronic gaming licensee may conduct
28 electronic gaming at a temporary facility pending the
29 construction of a permanent facility or the remodeling of an
30 existing facility to accommodate electronic gaming
31 participants for up to 24 months after receiving an
32 electronic gaming license. The Board shall make rules
33 concerning the conduct of electronic gaming from temporary
34 facilities.

1 (230 ILCS 10/7.5 new)

2 Sec. 7.5. Home rule. The regulation and licensing of
3 electronic gaming and electronic gaming licensees are
4 exclusive powers and functions of the State. A home rule
5 unit may not regulate or license electronic gaming or
6 electronic gaming licensees. This Section is a denial and
7 limitation of home rule powers and functions under subsection
8 (h) of Section 6 of Article VII of the Illinois Constitution.

9 (230 ILCS 10/8) (from Ch. 120, par. 2408)

10 Sec. 8. Suppliers licenses.

11 (a) The Board may issue a suppliers license to such
12 persons, firms or corporations which apply therefor upon the
13 payment of a non-refundable application fee set by the Board,
14 upon a determination by the Board that the applicant is
15 eligible for a suppliers license and upon payment of a \$5,000
16 annual license fee.

17 (b) The holder of a suppliers license is authorized to
18 sell or lease, and to contract to sell or lease, gambling
19 equipment and supplies to any licensee involved in the
20 ownership or management of gambling operations.

21 (c) Gambling supplies and equipment may not be
22 distributed unless supplies and equipment conform to
23 standards adopted by rules of the Board.

24 (d) A person, firm or corporation is ineligible to
25 receive a suppliers license if:

26 (1) the person has been convicted of a felony under
27 the laws of this State, any other state, or the United
28 States;

29 (2) the person has been convicted of any violation
30 of Article 28 of the Criminal Code of 1961, or
31 substantially similar laws of any other jurisdiction;

32 (3) the person has submitted an application for a
33 license under this Act which contains false information;

1 (4) the person is a member of the Board;

2 (5) the firm or corporation is one in which a
3 person defined in (1), (2), (3) or (4), is an officer,
4 director or managerial employee;

5 (6) the firm or corporation employs a person who
6 participates in the management or operation of riverboat
7 gambling authorized under this Act;

8 (7) the license of the person, firm or corporation
9 issued under this Act, or a license to own or operate
10 gambling facilities in any other jurisdiction, has been
11 revoked.

12 (e) Any person that supplies any equipment, devices, or
13 supplies to a licensed riverboat gambling operation or
14 electronic gaming operation must first obtain a suppliers
15 license. A supplier shall furnish to the Board a list of all
16 equipment, devices and supplies offered for sale or lease in
17 connection with gambling games authorized under this Act. A
18 supplier shall keep books and records for the furnishing of
19 equipment, devices and supplies to gambling operations
20 separate and distinct from any other business that the
21 supplier might operate. A supplier shall file a quarterly
22 return with the Board listing all sales and leases. A
23 supplier shall permanently affix its name to all its
24 equipment, devices, and supplies for gambling operations. Any
25 supplier's equipment, devices or supplies which are used by
26 any person in an unauthorized gambling operation shall be
27 forfeited to the State. A holder of an owners license or an
28 electronic gaming license ~~licensed--owner~~ may own its own
29 equipment, devices and supplies. Each holder of an owners
30 license or an electronic gaming license under the Act shall
31 file an annual report listing its inventories of gambling
32 equipment, devices and supplies.

33 (f) Any person who knowingly makes a false statement on
34 an application is guilty of a Class A misdemeanor.

1 (g) Any gambling equipment, devices and supplies
2 provided by any licensed supplier may either be repaired on
3 the riverboat or electronic gaming facility or removed from
4 the riverboat or electronic gaming facility to a an-on-shore
5 facility owned by the holder of an owners license or
6 electronic gaming license for repair.

7 (h) On and after the effective date of this amendatory
8 Act of the 93rd General Assembly, at least 30% of all slot
9 machines and video games of chance purchased by an owners
10 licensee shall be purchased from manufacturers whose
11 manufacturing facilities are located in Illinois. Beginning
12 one year after the effective date of this amendatory Act, the
13 Board shall review the availability of such slot machines and
14 video games of chance and shall have the discretion to raise
15 the minimum percentage of those slot machines and video games
16 of chance that must be purchased from suppliers whose
17 manufacturing facilities are located in Illinois by rule as
18 it sees fit.

19 (Source: P.A. 86-1029; 87-826.)

20 (230 ILCS 10/9) (from Ch. 120, par. 2409)

21 Sec. 9. Occupational licenses.

22 (a) The Board may issue an occupational license to an
23 applicant upon the payment of a non-refundable fee set by the
24 Board, upon a determination by the Board that the applicant
25 is eligible for an occupational license and upon payment of
26 an annual license fee in an amount to be established. To be
27 eligible for an occupational license, an applicant must:

28 (1) be at least 21 years of age if the applicant
29 will perform any function involved in gaming by patrons.
30 Any applicant seeking an occupational license for a
31 non-gaming function shall be at least 18 years of age;

32 (2) not have been convicted of a felony offense, a
33 violation of Article 28 of the Criminal Code of 1961, or

1 a similar statute of any other jurisdiction, or a crime
2 involving dishonesty or moral turpitude;

3 (3) have demonstrated a level of skill or knowledge
4 which the Board determines to be necessary in order to
5 operate gambling aboard a riverboat or at an electronic
6 gaming facility; and

7 (4) have met standards for the holding of an
8 occupational license as adopted by rules of the Board.
9 Such rules shall provide that any person or entity
10 seeking an occupational license to manage gambling
11 operations hereunder shall be subject to background
12 inquiries and further requirements similar to those
13 required of applicants for an owners license.
14 Furthermore, such rules shall provide that each such
15 entity shall be permitted to manage gambling operations
16 for only one licensed owner.

17 (b) Each application for an occupational license shall
18 be on forms prescribed by the Board and shall contain all
19 information required by the Board. The applicant shall set
20 forth in the application: whether he has been issued prior
21 gambling related licenses; whether he has been licensed in
22 any other state under any other name, and, if so, such name
23 and his age; and whether or not a permit or license issued to
24 him in any other state has been suspended, restricted or
25 revoked, and, if so, for what period of time.

26 (c) Each applicant shall submit with his application, on
27 forms provided by the Board, 2 sets of his fingerprints. The
28 Board shall charge each applicant a fee set by the Department
29 of State Police to defray the costs associated with the
30 search and classification of fingerprints obtained by the
31 Board with respect to the applicant's application. These
32 fees shall be paid into the State Police Services Fund.

33 (d) The Board may in its discretion refuse an
34 occupational license to any person: (1) who is unqualified to

1 perform the duties required of such applicant; (2) who fails
2 to disclose or states falsely any information called for in
3 the application; (3) who has been found guilty of a violation
4 of this Act or whose prior gambling related license or
5 application therefor has been suspended, restricted, revoked
6 or denied for just cause in any other state; or (4) for any
7 other just cause.

8 (e) The Board may suspend, revoke or restrict any
9 occupational licensee: (1) for violation of any provision of
10 this Act; (2) for violation of any of the rules and
11 regulations of the Board; (3) for any cause which, if known
12 to the Board, would have disqualified the applicant from
13 receiving such license; or (4) for default in the payment of
14 any obligation or debt due to the State of Illinois; or (5)
15 for any other just cause.

16 (f) A person who knowingly makes a false statement on an
17 application is guilty of a Class A misdemeanor.

18 (g) Any license issued pursuant to this Section shall be
19 valid for a period of one year from the date of issuance.

20 (h) Nothing in this Act shall be interpreted to prohibit
21 a licensed owner or electronic gaming licensee from entering
22 into an agreement with a school approved under the Private
23 Business and Vocational Schools Act for the training of any
24 occupational licensee. Any training offered by such a school
25 shall be in accordance with a written agreement between the
26 licensed owner or electronic gaming licensee and the school.

27 (i) Any training provided for occupational licensees may
28 be conducted either at the site of the gambling facility ~~on~~
29 ~~the--riverboat~~ or at a school with which a licensed owner or
30 electronic gaming licensee has entered into an agreement
31 pursuant to subsection (h).

32 (Source: P.A. 86-1029; 87-826.)

33 (230 ILCS 10/11) (from Ch. 120, par. 2411)

1 Sec. 11. Conduct of gambling. Gambling may be conducted
2 by licensed owners aboard riverboats. If authorized by the
3 Board by rule, an owners licensee may move all of its gaming
4 positions in excess of 1,200 from its riverboats to its home
5 dock facility and use those gaming positions to conduct
6 gambling, provided that the gaming positions are located in
7 an area that is accessible only to persons who are at least
8 21 years of age and provided that the admission tax imposed
9 under Section 12 has been paid for all persons who use those
10 gaming positions. Gambling may be conducted by electronic
11 gaming licensees at electronic gaming facilities. Gambling
12 authorized under this Section shall be, subject to the
13 following standards:

14 (1) A licensee may conduct riverboat gambling
15 authorized under this Act regardless of whether it
16 conducts excursion cruises. A licensee may permit the
17 continuous ingress and egress of passengers for the
18 purpose of gambling.

19 (2) (Blank).

20 (3) Minimum and maximum wagers on games shall be
21 set by the licensee.

22 (4) Agents of the Board and the Department of State
23 Police may board and inspect any riverboat or enter and
24 inspect any portion of an electronic gaming facility
25 where electronic gaming is conducted at any time for the
26 purpose of determining whether this Act is being complied
27 with. Every riverboat, if under way and being hailed by
28 a law enforcement officer or agent of the Board, must
29 stop immediately and lay to.

30 (5) Employees of the Board shall have the right to
31 be present on the riverboat or on adjacent facilities
32 under the control of the licensee and at the electronic
33 gaming facility under the control of the electronic
34 gaming licensee.

1 (6) Gambling equipment and supplies customarily
2 used in conducting riverboat gambling or electronic
3 gaming must be purchased or leased only from suppliers
4 licensed for such purpose under this Act.

5 (7) Persons licensed under this Act shall permit no
6 form of wagering on gambling games except as permitted by
7 this Act.

8 (8) Wagers may be received only from a person
9 present on a licensed riverboat or at an electronic
10 gaming facility. No person present on a licensed
11 riverboat or at an electronic gaming facility shall place
12 or attempt to place a wager on behalf of another person
13 who is not present on the riverboat or at the electronic
14 gaming facility.

15 (9) Wagering, including electronic gaming, shall
16 not be conducted with money or other negotiable currency.

17 (10) A person under age 21 shall not be permitted
18 on an area of a riverboat where gambling is being
19 conducted or at an electronic gaming facility where
20 gambling is being conducted, except for a person at least
21 18 years of age who is an employee of the riverboat
22 gambling operation or electronic gaming operation. No
23 employee under age 21 shall perform any function involved
24 in gambling by the patrons. No person under age 21 shall
25 be permitted to make a wager under this Act.

26 (11) Gambling excursion cruises are permitted only
27 when the waterway for which the riverboat is licensed is
28 navigable, as determined by the Board in consultation
29 with the U.S. Army Corps of Engineers. This paragraph
30 (11) does not limit the ability of a licensee to conduct
31 gambling authorized under this Act when gambling
32 excursion cruises are not permitted.

33 (12) All tokens, chips or electronic cards used to
34 make wagers must be purchased (i) from a licensed owner,

1 in the case of a riverboat, either aboard the a riverboat
2 or at an onshore facility which has been approved by the
3 Board and which is located where the riverboat docks or
4 (ii) from an electronic gaming licensee at the electronic
5 gaming facility. The tokens, chips or electronic cards
6 may be purchased by means of an agreement under which the
7 owner extends credit to the patron. Such tokens, chips
8 or electronic cards may be used while aboard the
9 riverboat or at the electronic gaming facility only for
10 the purpose of making wagers on gambling games.

11 (13) Notwithstanding any other Section of this Act,
12 in addition to the other licenses authorized under this
13 Act, the Board may issue special event licenses allowing
14 persons who are not otherwise licensed to conduct
15 riverboat gambling to conduct such gambling on a
16 specified date or series of dates. Riverboat gambling
17 under such a license may take place on a riverboat not
18 normally used for riverboat gambling. The Board shall
19 establish standards, fees and fines for, and limitations
20 upon, such licenses, which may differ from the standards,
21 fees, fines and limitations otherwise applicable under
22 this Act. All such fees shall be deposited into the
23 State Gaming Fund. All such fines shall be deposited
24 into the Education Assistance Fund, created by Public Act
25 86-0018, of the State of Illinois.

26 (14) In addition to the above, gambling must be
27 conducted in accordance with all rules adopted by the
28 Board.

29 (Source: P.A. 91-40, eff. 6-25-99.)

30 (230 ILCS 10/11.1) (from Ch. 120, par. 2411.1)

31 Sec. 11.1. Collection of amounts owing under credit
32 agreements. Notwithstanding any applicable statutory
33 provision to the contrary, a licensed owner or electronic

1 gaming licensee who extends credit to a riverboat gambling
2 patron pursuant to Section 11 (a) (12) of this Act is
3 expressly authorized to institute a cause of action to
4 collect any amounts due and owing under the extension of
5 credit, as well as the owner's costs, expenses and reasonable
6 attorney's fees incurred in collection.

7 (Source: P.A. 86-1029; 86-1389; 87-826.)

8 (230 ILCS 10/12) (from Ch. 120, par. 2412)

9 Sec. 12. Admission tax; fees.

10 (a) A tax is hereby imposed upon admissions to riverboat
11 gambling facilities authorized pursuant to this Act. Until
12 July 1, 2002, the rate is \$2 per person admitted. From
13 Beginning July 1, 2002 until the effective date of this
14 amendatory Act of the 93rd General Assembly, the rate is \$3
15 per person admitted. Beginning on the effective date of this
16 amendatory Act, the rate is \$2 per person for the first
17 1,500,000 persons admitted by a licensee per year and \$3 per
18 person for all persons admitted by that licensee in excess of
19 1,500,000 per year. This admission tax is imposed upon the
20 licensed owner conducting gambling.

21 (1) The admission tax shall be paid for each
22 admission, except that a person who exits a riverboat
23 gambling facility and reenters that riverboat gambling
24 facility within the same gaming day, as defined by the
25 Board by rule, shall be subject only to the initial
26 admission tax.

27 (2) (Blank).

28 (3) The riverboat licensee may issue tax-free
29 passes to actual and necessary officials and employees of
30 the licensee or other persons actually working on the
31 riverboat.

32 (4) The number and issuance of tax-free passes is
33 subject to the rules of the Board, and a list of all

1 persons to whom the tax-free passes are issued shall be
2 filed with the Board.

3 (b) From the tax imposed under subsection (a), a
4 municipality shall receive from the State \$1 for each person
5 embarking on a riverboat docked within the municipality, and
6 a county shall receive \$1 for each person embarking on a
7 riverboat docked within the county but outside the boundaries
8 of any municipality. The municipality's or county's share
9 shall be collected by the Board on behalf of the State and
10 remitted quarterly by the State, subject to appropriation, to
11 the treasurer of the unit of local government for deposit in
12 the general fund. For each admission in excess of 1,500,000
13 in a year, from the tax imposed under this Section, the
14 county in which the licensee's home dock is located shall
15 receive, subject to appropriation, \$0.15, which shall be in
16 addition to any other moneys paid to the county under this
17 Section, and \$0.20 shall be paid into the Agricultural
18 Premium Fund and \$0.15 shall be paid into the Illinois Urban
19 Development Authority Fund.

20 (c) The licensed owner shall pay the entire admission
21 tax to the Board. Such payments shall be made daily.
22 Accompanying each payment shall be a return on forms provided
23 by the Board which shall include other information regarding
24 admissions as the Board may require. Failure to submit
25 either the payment or the return within the specified time
26 may result in suspension or revocation of the owners license.

27 (d) The Board shall administer and collect the admission
28 tax imposed by this Section, to the extent practicable, in a
29 manner consistent with the provisions of Sections 4, 5, 5a,
30 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of
31 the Retailers' Occupation Tax Act and Section 3-7 of the
32 Uniform Penalty and Interest Act.

33 (Source: P.A. 91-40, eff. 6-25-99; 92-595, eff. 6-28-02.)

1 (230 ILCS 10/13) (from Ch. 120, par. 2413)

2 Sec. 13. Wagering tax; rate; distribution.

3 (a) Until January 1, 1998, a tax is imposed on the
4 adjusted gross receipts received from gambling games
5 authorized under this Act at the rate of 20%.

6 From January 1, 1998 until July 1, 2002, a privilege tax
7 is imposed on persons engaged in the business of conducting
8 riverboat gambling operations, based on the adjusted gross
9 receipts received by a licensed owner from gambling games
10 authorized under this Act at the following rates:

11 15% of annual adjusted gross receipts up to and
12 including \$25,000,000;

13 20% of annual adjusted gross receipts in excess of
14 \$25,000,000 but not exceeding \$50,000,000;

15 25% of annual adjusted gross receipts in excess of
16 \$50,000,000 but not exceeding \$75,000,000;

17 30% of annual adjusted gross receipts in excess of
18 \$75,000,000 but not exceeding \$100,000,000;

19 35% of annual adjusted gross receipts in excess of
20 \$100,000,000.

21 From Beginning July 1, 2002 until the effective date of
22 this amendatory Act of the 93rd General Assembly, a privilege
23 tax is imposed on persons engaged in the business of
24 conducting riverboat gambling operations, based on the
25 adjusted gross receipts received by a licensed owner from
26 gambling games authorized under this Act at the following
27 rates:

28 15% of annual adjusted gross receipts up to and
29 including \$25,000,000;

30 22.5% of annual adjusted gross receipts in excess of
31 \$25,000,000 but not exceeding \$50,000,000;

32 27.5% of annual adjusted gross receipts in excess of
33 \$50,000,000 but not exceeding \$75,000,000;

34 32.5% of annual adjusted gross receipts in excess of

- 1 \$75,000,000 but not exceeding \$100,000,000;
- 2 37.5% of annual adjusted gross receipts in excess of
- 3 \$100,000,000 but not exceeding \$150,000,000;
- 4 45% of annual adjusted gross receipts in excess of
- 5 \$150,000,000 but not exceeding \$200,000,000;
- 6 50% of annual adjusted gross receipts in excess of
- 7 \$200,000,000.

8 Beginning on the effective date of this amendatory Act of
9 the 93rd General Assembly, a privilege tax is imposed on
10 persons engaged in the business of conducting riverboat
11 gambling operations, based on the adjusted gross receipts
12 received by a licensed owner from gambling games authorized
13 under this Act, and on persons conducting electronic gaming,
14 based on the adjusted gross receipts received by an
15 electronic gaming licensee from electronic gambling, at the
16 following rates:

- 17 15% of annual adjusted gross receipts up to and
- 18 including \$25,000,000;
- 19 20% of annual adjusted gross receipts in excess of
- 20 \$25,000,000 but not exceeding \$50,000,000;
- 21 25% of annual adjusted gross receipts in excess of
- 22 \$50,000,000 but not exceeding \$75,000,000;
- 23 30% of annual adjusted gross receipts in excess of
- 24 \$75,000,000 but not exceeding \$100,000,000;
- 25 35% of annual adjusted gross receipts in excess of
- 26 \$100,000,000 but not exceeding \$400,000,000;
- 27 40% of annual adjusted gross receipts in excess of
- 28 \$400,000,000 but not exceeding \$450,000,000;
- 29 45% of annual adjusted gross receipts in excess of
- 30 \$450,000,000 but not exceeding \$500,000,000;
- 31 50% of annual adjusted gross receipts in excess of
- 32 \$500,000,000.

33 The taxes imposed by this Section shall be paid by the
34 licensed owner or electronic gaming licensee to the Board not

1 later than 3:00 o'clock p.m. of the day after the day when
2 the wagers were made.

3 (b) Until January 1, 1998, 25% of the tax revenue
4 deposited in the State Gaming Fund under this Section shall
5 be paid, subject to appropriation by the General Assembly, to
6 the unit of local government which is designated as the home
7 dock of the riverboat. Except as otherwise provided in this
8 subsection (b), beginning January 1, 1998, from the tax
9 revenue from riverboat gambling deposited in the State Gaming
10 Fund under this Section, an amount equal to 5% of adjusted
11 gross receipts generated by a riverboat shall be paid
12 monthly, subject to appropriation by the General Assembly, to
13 the unit of local government that is designated as the home
14 dock of the riverboat.

15 (b-5) Beginning on the effective date of this amendatory
16 Act of the 93rd General Assembly, from the tax revenue from
17 electronic gaming deposited into the State Gaming Fund under
18 this Section, an amount equal to 1% of the adjusted gross
19 receipts generated by an electronic gaming licensee shall be
20 paid monthly, subject to appropriation, to the municipality
21 in which the electronic gaming facility is located. If an
22 electronic gaming facility is not located within a
23 municipality, then an amount equal to 1% of the adjusted
24 gross receipts generated by the electronic gaming licensee
25 shall be paid monthly, subject to appropriation, to the
26 county in which the electronic gaming facility is located.

27 (b-10) Beginning on the effective date of this
28 amendatory Act of the 93rd General Assembly, from the tax
29 revenue from electronic gaming deposited into the State
30 Gaming Fund under this Section, an amount equal to 1% of the
31 adjusted gross receipts generated by an electronic gaming
32 licensee, but in no event more than \$25,000,000 in any year,
33 shall be paid monthly, subject to appropriation, into the
34 Illinois Urban Development Authority Fund.

1 (b-15) Beginning on the effective date of this
2 amendatory Act of the 93rd General Assembly, after the
3 payments required under subsections (b), (b-5), and (b-10)
4 have been made, the first \$5,000,000 of tax revenue derived
5 from electronic gaming shall be paid to the Department of
6 Human Services to be used for compulsive gambling programs.

7 (c) Appropriations, as approved by the General Assembly,
8 may be made from the State Gaming Fund to the Department of
9 Revenue and the Department of State Police for the
10 administration and enforcement of this Act.

11 (c-5) (Blank). ~~After--the--payments--required--under~~
12 ~~subsections--(b)--and--(c)--have--been--made,--an--amount--equal--to~~
13 ~~15%--of--the--adjusted--gross--receipts--of--a--riverboat--(1)--that~~
14 ~~relocates--pursuant--to--Section--11.2,--or--(2)--for--which--an~~
15 ~~owners--license--is--initially--issued--after--the--effective--date~~
16 ~~of--this--amendatory--Act--of--1999,--whichever--comes--first,--shall~~
17 ~~be--paid--from--the--State--Gaming--Fund--into--the--Horse--Racing~~
18 ~~Equity--Fund.~~

19 (c-10) (Blank). ~~Each--year--the--General--Assembly--shall~~
20 ~~appropriate--from--the--General--Revenue--Fund--to--the--Education~~
21 ~~Assistance--Fund--an--amount--equal--to--the--amount--paid--into--the~~
22 ~~Horse--Racing--Equity--Fund--pursuant--to--subsection--(c-5)--in--the~~
23 ~~prior--calendar--year.~~

24 (c-15) (Blank). ~~After--the--payments--required--under~~
25 ~~subsections--(b)--,--(c),--and--(c-5)--have--been--made,--an--amount~~
26 ~~equal--to--2%--of--the--adjusted--gross--receipts--of--a--riverboat--(1)~~
27 ~~that--relocates--pursuant--to--Section--11.2,--or--(2)--for--which--an~~
28 ~~owners--license--is--initially--issued--after--the--effective--date~~
29 ~~of--this--amendatory--Act--of--1999,--whichever--comes--first,--shall~~
30 ~~be--paid,--subject--to--appropriation--from--the--General--Assembly,~~
31 ~~from--the--State--Gaming--Fund--to--each--home--rule--county--with--a~~
32 ~~population--of--over--3,000,000--inhabitants--for--the--purpose--of~~
33 ~~enhancing--the--county's--criminal--justice--system.~~

34 (c-20) (Blank). ~~Each--year--the--General--Assembly--shall~~

1 appropriate from the General Revenue Fund to the Education
2 Assistance Fund an amount equal to the amount paid to each
3 home rule county with a population of over 3,000,000
4 inhabitants pursuant to subsection (c-15) in the prior
5 calendar year.

6 (c-25) (Blank). After the payments required under
7 subsections (b), (c), (c-5) and (c-15) have been made, an
8 amount equal to 2% of the adjusted gross receipts of a
9 riverboat (1) that relocates pursuant to Section 11.2, or (2)
10 for which an owners license is initially issued after the
11 effective date of this amendatory Act of 1999, whichever
12 comes first, shall be paid from the State Gaming Fund into
13 the State Universities Athletic Capital Improvement Fund.

14 (d) From time to time, the Board shall transfer the
15 remainder of the funds generated by this Act into the
16 Education Assistance Fund, created by Public Act 86-0018, of
17 the State of Illinois.

18 (e) Nothing in this Act shall prohibit the unit of local
19 government designated as the home dock of the riverboat from
20 entering into agreements with other units of local government
21 in this State or in other states to share its portion of the
22 tax revenue.

23 (f) To the extent practicable, the Board shall
24 administer and collect the wagering taxes imposed by this
25 Section in a manner consistent with the provisions of
26 Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b,
27 6c, 8, 9, and 10 of the Retailers' Occupation Tax Act and
28 Section 3-7 of the Uniform Penalty and Interest Act.

29 (Source: P.A. 91-40, eff. 6-25-99; 92-595, eff. 6-28-02.)

30 (230 ILCS 10/14) (from Ch. 120, par. 2414)

31 Sec. 14. Licensees - Records - Reports - Supervision.

32 (a) A Licensed owners and electronic gaming licensees
33 owner shall keep their his books and records so as to clearly

1 show the following:

2 (1) The amount received daily from admission fees.

3 (2) The total amount of gross receipts.

4 (3) The total amount of the adjusted gross receipts.

5 (b) The Licensed owners and electronic gaming licensees
6 ~~owner~~ shall furnish to the Board reports and information as
7 the Board may require with respect to its activities on forms
8 designed and supplied for such purpose by the Board.

9 (c) The books and records kept by a licensed owner or
10 electronic gaming licensee as provided by this Section are
11 public records and the examination, publication, and
12 dissemination of the books and records are governed by the
13 provisions of The Freedom of Information Act.

14 (Source: P.A. 86-1029.)

15 (230 ILCS 10/18) (from Ch. 120, par. 2418)

16 Sec. 18. Prohibited Activities - Penalty.

17 (a) A person is guilty of a Class A misdemeanor for
18 doing any of the following:

19 (1) Conducting gambling where wagering is used or
20 to be used without a license issued by the Board.

21 (2) Conducting gambling where wagering is permitted
22 other than in the manner specified by Section 11.

23 (b) A person is guilty of a Class B misdemeanor for
24 doing any of the following:

25 (1) permitting a person under 21 years to make a
26 wager; or

27 (2) violating paragraph (12) of subsection (a) of
28 Section 11 of this Act.

29 (c) A person wagering or accepting a wager at any
30 location outside the riverboat or electronic gaming facility
31 in violation of paragraph ~~is--subject-to-the-penalties-in~~
32 ~~paragraphs~~ (1) or (2) of subsection (a) of Section 28-1 of
33 the Criminal Code of 1961 is subject to the penalties

1 provided in that Section.

2 (d) A person commits a Class 4 felony and, in addition,
3 shall be barred for life from gambling operations ~~riverboats~~
4 under the jurisdiction of the Board, if the person does any
5 of the following:

6 (1) Offers, promises, or gives anything of value or
7 benefit to a person who is connected with a riverboat
8 owner or electronic gaming licensee including, but not
9 limited to, an officer or employee of a licensed owner or
10 electronic gaming licensee or holder of an occupational
11 license pursuant to an agreement or arrangement or with
12 the intent that the promise or thing of value or benefit
13 will influence the actions of the person to whom the
14 offer, promise, or gift was made in order to affect or
15 attempt to affect the outcome of a gambling game, or to
16 influence official action of a member of the Board.

17 (2) Solicits or knowingly accepts or receives a
18 promise of anything of value or benefit while the person
19 is connected with a riverboat or electronic gaming
20 facility, including, but not limited to, an officer or
21 employee of a licensed owner or electronic gaming
22 licensee, or the holder of an occupational license,
23 pursuant to an understanding or arrangement or with the
24 intent that the promise or thing of value or benefit will
25 influence the actions of the person to affect or attempt
26 to affect the outcome of a gambling game, or to influence
27 official action of a member of the Board.

28 (3) Uses or possesses with the intent to use a
29 device to assist:

30 (i) In projecting the outcome of the game.

31 (ii) In keeping track of the cards played.

32 (iii) In analyzing the probability of the
33 occurrence of an event relating to the gambling
34 game.

1 (iv) In analyzing the strategy for playing or
2 betting to be used in the game except as permitted
3 by the Board.

4 (4) Cheats at a gambling game.

5 (5) Manufactures, sells, or distributes any cards,
6 chips, dice, game or device which is intended to be used
7 to violate any provision of this Act.

8 (6) Alters or misrepresents the outcome of a
9 gambling game on which wagers have been made after the
10 outcome is made sure but before it is revealed to the
11 players.

12 (7) Places a bet after acquiring knowledge, not
13 available to all players, of the outcome of the gambling
14 game which is subject of the bet or to aid a person in
15 acquiring the knowledge for the purpose of placing a bet
16 contingent on that outcome.

17 (8) Claims, collects, or takes, or attempts to
18 claim, collect, or take, money or anything of value in or
19 from the gambling games, with intent to defraud, without
20 having made a wager contingent on winning a gambling
21 game, or claims, collects, or takes an amount of money or
22 thing of value of greater value than the amount won.

23 (9) Uses counterfeit chips or tokens in a gambling
24 game.

25 (10) Possesses any key or device designed for the
26 purpose of opening, entering, or affecting the operation
27 of a gambling game, drop box, or an electronic or
28 mechanical device connected with the gambling game or for
29 removing coins, tokens, chips or other contents of a
30 gambling game. This paragraph (10) does not apply to a
31 gambling licensee or employee of a gambling licensee
32 acting in furtherance of the employee's employment.

33 (e) The possession of more than one of the devices
34 described in subsection (d), paragraphs (3), (5) or (10)

1 permits a rebuttable presumption that the possessor intended
2 to use the devices for cheating.

3 An action to prosecute any crime occurring on a riverboat
4 shall be tried in the county of the dock at which the
5 riverboat is based.

6 (Source: P.A. 91-40, eff. 6-25-99.)

7 (230 ILCS 10/19) (from Ch. 120, par. 2419)

8 Sec. 19. Forfeiture of property.

9 (a) Except as provided in subsection (b), any riverboat
10 or electronic gaming facility used for the conduct of
11 gambling games in violation of this Act shall be considered a
12 gambling place in violation of Section 28-3 of the Criminal
13 Code of 1961, as now or hereafter amended. Every gambling
14 device found on a riverboat or at an electronic gaming
15 facility operating gambling games in violation of this Act
16 and every slot machine found at an electronic gaming facility
17 operating gambling games in violation of this Act shall be
18 subject to seizure, confiscation and destruction as provided
19 in Section 28-5 of the Criminal Code of 1961, as now or
20 hereafter amended.

21 (b) It is not a violation of this Act for a riverboat or
22 other watercraft which is licensed for gaming by a contiguous
23 state to dock on the shores of this State if the municipality
24 having jurisdiction of the shores, or the county in the case
25 of unincorporated areas, has granted permission for docking
26 and no gaming is conducted on the riverboat or other
27 watercraft while it is docked on the shores of this State. No
28 gambling device shall be subject to seizure, confiscation or
29 destruction if the gambling device is located on a riverboat
30 or other watercraft which is licensed for gaming by a
31 contiguous state and which is docked on the shores of this
32 State if the municipality having jurisdiction of the shores,
33 or the county in the case of unincorporated areas, has

1 granted permission for docking and no gaming is conducted on
2 the riverboat or other watercraft while it is docked on the
3 shores of this State.

4 (Source: P.A. 86-1029.)

5 (230 ILCS 10/20) (from Ch. 120, par. 2420)

6 Sec. 20. Prohibited activities - civil penalties. Any
7 person who conducts a gambling operation without first
8 obtaining a license to do so, or who continues to conduct
9 such games after revocation of his license, or any licensee
10 who conducts or allows to be conducted any unauthorized
11 gambling games on a riverboat or at an electronic gaming
12 facility where it is authorized to conduct its ~~riverboat~~
13 gambling operation, in addition to other penalties provided,
14 shall be subject to a civil penalty equal to the amount of
15 gross receipts derived from wagering on the gambling games,
16 whether unauthorized or authorized, conducted on that day as
17 well as confiscation and forfeiture of all gambling game
18 equipment used in the conduct of unauthorized gambling games.

19 (Source: P.A. 86-1029.)

20 Section 85. The Illinois Pull Tabs and Jar Games Act is
21 amended by changing Sections 1.1, 4, and 5 as follows:

22 (230 ILCS 20/1.1) (from Ch. 120, par. 1051.1)

23 Sec. 1.1. Definitions. As used in this Act:

24 "Pull tabs" and "jar games" means a game using
25 single-folded or banded tickets or a card, the face of which
26 is initially covered or otherwise hidden from view in order
27 to conceal a number, symbol or set of symbols, some of which
28 are winners. Players with winning tickets receive a prize
29 stated on a promotional display or "flare". Pull tabs also
30 means a game in which prizes are won by pulling a tab from a
31 board thereby revealing a number which corresponds to the

1 number for a given prize.

2 Except in the case of bingo event games, each winning
3 pull tab or slip shall be predetermined. The right to
4 participate in such games shall not cost more than \$2.
5 Except for prizes awarded as part of a progressive game, no
6 single prize shall exceed \$500. There shall be no more than
7 6,000 tickets in a game.

8 "Pull tabs and jar games", as used in this Act, does not
9 include the following: numbers, policy, bolita or similar
10 games, dice, slot machines, bookmaking and wagering pools
11 with respect to a sporting event, or that game commonly known
12 as punch boards, or any other game or activity not expressly
13 defined in this Section.

14 "Organization" means a corporation, agency, partnership,
15 association, firm or other entity consisting of 2 or more
16 persons joined by a common interest or purpose.

17 "Non-profit organization" means an organization or
18 institution organized and conducted on a not-for-profit basis
19 with no personal profit inuring to anyone as a result of the
20 operation.

21 "Charitable organization" means an organization or
22 institution organized and operated to benefit an indefinite
23 number of the public.

24 "Educational organization" means an organization or
25 institution organized and operated to provide systematic
26 instruction in useful branches of learning by methods common
27 to schools and institutions of learning which compare
28 favorably in their scope and intensity with the course of
29 study presented in tax-supported schools.

30 "Religious organization" means any church, congregation,
31 society, or organization founded for the purpose of religious
32 worship.

33 "Fraternal organization" means an organization of
34 persons, including but not limited to ethnic organizations,

1 having a common interest, organized and operated exclusively
2 to promote the welfare of its members and to benefit the
3 general public on a continuing and consistent basis.

4 "Veterans' organization" means an organization comprised
5 of members of which substantially all are individuals who are
6 veterans or spouses, widows, or widowers of veterans, the
7 primary purpose of which is to promote the welfare of its
8 members and to provide assistance to the general public in
9 such a way as to confer a public benefit.

10 "Labor organization" means an organization composed of
11 labor unions or workers organized with the objective of
12 betterment of the conditions of those engaged in such pursuit
13 and the development of a higher degree of efficiency in their
14 respective occupations.

15 "Youth athletic organization" means an organization
16 having as its exclusive purpose the promotion and provision
17 of athletic activities for youth aged 18 and under.

18 "Senior citizens organization" means an organization or
19 association comprised of members of which substantially all
20 are individuals who are senior citizens, as defined in the
21 Illinois Act on the Aging, the primary purpose of which is to
22 promote the welfare of its members.

23 "Progressive game" means a pull tab game that has a
24 portion of its predetermined prize payout designated to a
25 progressive jackpot that, if not won, is carried forward and
26 added to the jackpot of subsequent games until won.

27 "Bingo event game" means a pull tab game played with pull
28 tab tickets where the winner has not been designated in
29 advance by the manufacturer, but is determined by chance.

30 (Source: P.A. 90-536, eff. 1-1-98.)

31 (230 ILCS 20/4) (from Ch. 120, par. 1054)

32 Sec. 4. The conducting of pull tabs and jar games is
33 subject to the following restrictions:

1 (1) The entire net proceeds of any pull tabs or jar
2 games, except as otherwise approved in this Act, must be
3 exclusively devoted to the lawful purposes of the
4 organization permitted to conduct such drawings.

5 (2) No person except a bona fide member or employee of
6 the sponsoring organization may participate in the management
7 or operation of such pull tabs or jar games; however, nothing
8 herein shall conflict with pull tabs and jar games conducted
9 under the provisions of the Charitable Games Act.

10 (3) No person may receive any remuneration or profit for
11 participating in the management or operation of such pull
12 tabs or jar games; however, nothing herein shall conflict
13 with pull tabs and jar games conducted under the provisions
14 of the Charitable Games Act.

15 (4) The price paid for a single chance or right to
16 participate in a game licensed under this Act shall not
17 exceed \$2. ~~The aggregate value of all prizes or merchandise~~
18 ~~awarded in any single day of pull tabs and jar games shall~~
19 ~~not exceed \$5,000, except that in adjoining counties having~~
20 ~~200,000 to 275,000 inhabitants each, and in counties which~~
21 ~~are adjacent to either of such adjoining counties and are~~
22 ~~adjacent to total of not more than 2 counties in this State,~~
23 ~~the value of all prizes or merchandise awarded may not exceed~~
24 ~~\$5,000 in a single day.~~

25 (5) No person under the age of 18 years shall play or
26 participate in games under this Act. A person under the age
27 of 18 years may be within the area where pull tabs and jar
28 games are being conducted only when accompanied by his parent
29 or guardian.

30 (6) Pull tabs and jar games shall be conducted only on
31 premises owned or occupied by licensed organizations and used
32 by its members for general activities, or on premises owned
33 or rented for conducting the game of bingo, or as permitted
34 in subsection (4) of Section 3.

1 (Source: P.A. 90-536, eff. 1-1-98; 90-808, eff. 12-1-98.)

2 (230 ILCS 20/5) (from Ch. 120, par. 1055)

3 Sec. 5. There shall be paid to the Department of Revenue
4 5% of the gross proceeds of any pull tabs and jar games
5 conducted under this Act. Such payments shall be made 4
6 times per year, between the first and the 20th day of April,
7 July, October and January. Payment must be made by money
8 order or certified check. Accompanying each payment shall be
9 a report, on forms provided by the Department of Revenue,
10 listing the number of drawings conducted, the gross income
11 derived therefrom and such other information as the
12 Department of Revenue may require. Failure to submit either
13 the payment or the report within the specified time shall
14 result in automatic revocation of the license. All payments
15 made to the Department of Revenue under this Act shall be
16 deposited as follows:

17 (a) 50% shall be deposited in the Common School Fund;
18 and

19 (b) 50% shall be deposited in the Illinois Gaming Law
20 Enforcement Fund. Of the monies deposited in the Illinois
21 Gaming Law Enforcement Fund under this Section, the General
22 Assembly shall appropriate two-thirds to the Department of
23 Revenue, Department of State Police and the Office of the
24 Attorney General for State law enforcement purposes, and
25 one-third shall be appropriated to the Department of Revenue
26 for the purpose of distribution in the form of grants to
27 counties or municipalities for law enforcement purposes. The
28 amounts of grants to counties or municipalities shall bear
29 the same ratio as the number of licenses issued in counties
30 or municipalities bears to the total number of licenses
31 issued in the State. In computing the number of licenses
32 issued in a county, licenses issued for locations within a
33 municipality's boundaries shall be excluded.

1 The Department of Revenue shall license suppliers and
2 manufacturers of pull tabs and jar games at an annual fee of
3 \$5,000. Suppliers and manufacturers shall meet the
4 requirements and qualifications established by rule by the
5 Department. Licensed manufacturers shall sell pull tabs and
6 jar games only to licensed suppliers. Licensed suppliers
7 shall buy pull tabs and jar games only from licensed
8 manufacturers and shall sell pull tabs and jar games only to
9 licensed organizations. Licensed organizations shall buy pull
10 tabs and jar games only from licensed suppliers.

11 The Department of Revenue shall adopt by rule minimum
12 quality production standards for pull tabs and jar games. In
13 determining such standards, the Department shall consider the
14 standards adopted by the National Association of Gambling
15 Regulatory Agencies and the National Association of
16 Fundraising Ticket Manufacturers. ~~Such---standards---shall
17 include--the-name-of-the-supplier-which-shall-appear-in-plain
18 view-to-the-casual-observer-on-the-face-side-of-each-pull-tab
19 ticket-and-on-each-jar-game--ticket.~~ The pull tab ticket
20 shall contain the name of the game, the selling price of the
21 ticket, the amount of the prize and the serial number of the
22 ticket. The back side of a pull tab ticket shall contain a
23 series of perforated tabs marked-"open-here". The logo of
24 the manufacturer shall be clearly visible on each jar game
25 ticket.

26 The Department of Revenue shall adopt rules necessary to
27 provide for the proper accounting and control of activities
28 under this Act, to ensure that the proper taxes are paid,
29 that the proceeds from the activities under this Act are used
30 lawfully, and to prevent illegal activity associated with the
31 use of pull tabs and jar games.

32 The provisions of Section 2a of the Retailers' Occupation
33 Tax Act pertaining to the furnishing of a bond or other
34 security are incorporated by reference into this Act and are

1 applicable to licensees under this Act as a precondition of
2 obtaining a license under this Act. The provisions of
3 Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 6, 6a,
4 6b, 6c, 8, 9, 10, 11 and 12 of the Retailers' Occupation Tax
5 Act, and Section 3-7 of the Uniform Penalty and Interest Act,
6 which are not inconsistent with this Act shall apply, as far
7 as practicable, to the subject matter of this Act to the same
8 extent as if such provisions were included in this Act. For
9 the purposes of this Act, references in such incorporated
10 Sections of the Retailers' Occupation Tax Act to retailers,
11 sellers or persons engaged in the business of selling
12 tangible personal property means persons engaged in
13 conducting pull tabs and jar games and references in such
14 incorporated Sections of the Retailers' Occupation Tax Act to
15 sales of tangible personal property mean the conducting of
16 pull tabs and jar games and the making of charges for
17 participating in such drawings.

18 (Source: P.A. 87-205; 87-895.)

19 Section 90. The Criminal Code of 1961 is amended by
20 changing Sections 28-1, 28-5 and 28-7 as follows:

21 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

22 Sec. 28-1. Gambling.

23 (a) A person commits gambling when he:

24 (1) Plays a game of chance or skill for money or
25 other thing of value, unless excepted in subsection (b)
26 of this Section; or

27 (2) Makes a wager upon the result of any game,
28 contest, or any political nomination, appointment or
29 election; or

30 (3) Operates, keeps, owns, uses, purchases,
31 exhibits, rents, sells, bargains for the sale or lease
32 of, manufactures or distributes any gambling device; or

1 (4) Contracts to have or give himself or another
2 the option to buy or sell, or contracts to buy or sell,
3 at a future time, any grain or other commodity
4 whatsoever, or any stock or security of any company,
5 where it is at the time of making such contract intended
6 by both parties thereto that the contract to buy or sell,
7 or the option, whenever exercised, or the contract
8 resulting therefrom, shall be settled, not by the receipt
9 or delivery of such property, but by the payment only of
10 differences in prices thereof; however, the issuance,
11 purchase, sale, exercise, endorsement or guarantee, by or
12 through a person registered with the Secretary of State
13 pursuant to Section 8 of the Illinois Securities Law of
14 1953, or by or through a person exempt from such
15 registration under said Section 8, of a put, call, or
16 other option to buy or sell securities which have been
17 registered with the Secretary of State or which are
18 exempt from such registration under Section 3 of the
19 Illinois Securities Law of 1953 is not gambling within
20 the meaning of this paragraph (4); or

21 (5) Knowingly owns or possesses any book,
22 instrument or apparatus by means of which bets or wagers
23 have been, or are, recorded or registered, or knowingly
24 possesses any money which he has received in the course
25 of a bet or wager; or

26 (6) Sells pools upon the result of any game or
27 contest of skill or chance, political nomination,
28 appointment or election; or

29 (7) Sets up or promotes any lottery or sells,
30 offers to sell or transfers any ticket or share for any
31 lottery; or

32 (8) Sets up or promotes any policy game or sells,
33 offers to sell or knowingly possesses or transfers any
34 policy ticket, slip, record, document or other similar

1 device; or

2 (9) Knowingly drafts, prints or publishes any
3 lottery ticket or share, or any policy ticket, slip,
4 record, document or similar device, except for such
5 activity related to lotteries, bingo games and raffles
6 authorized by and conducted in accordance with the laws
7 of Illinois or any other state or foreign government; or

8 (10) Knowingly advertises any lottery or policy
9 game, except for such activity related to lotteries,
10 bingo games and raffles authorized by and conducted in
11 accordance with the laws of Illinois or any other state;
12 or

13 (11) Knowingly transmits information as to wagers,
14 betting odds, or changes in betting odds by telephone,
15 telegraph, radio, semaphore or similar means; or
16 knowingly installs or maintains equipment for the
17 transmission or receipt of such information; except that
18 nothing in this subdivision (11) prohibits transmission
19 or receipt of such information for use in news reporting
20 of sporting events or contests; or

21 (12) Knowingly establishes, maintains, or operates
22 an Internet site that permits a person to play a game of
23 chance or skill for money or other thing of value by
24 means of the Internet or to make a wager upon the result
25 of any game, contest, political nomination, appointment,
26 or election by means of the Internet.

27 (b) Participants in any of the following activities
28 shall not be convicted of gambling therefor:

29 (1) Agreements to compensate for loss caused by the
30 happening of chance including without limitation
31 contracts of indemnity or guaranty and life or health or
32 accident insurance;

33 (2) Offers of prizes, award or compensation to the
34 actual contestants in any bona fide contest for the

1 determination of skill, speed, strength or endurance or
2 to the owners of animals or vehicles entered in such
3 contest;

4 (3) Pari-mutuel betting as authorized by the law of
5 this State;

6 (4) Manufacture of gambling devices, including the
7 acquisition of essential parts therefor and the assembly
8 thereof, for transportation in interstate or foreign
9 commerce to any place outside this State when such
10 transportation is not prohibited by any applicable
11 Federal law;

12 (5) The game commonly known as "bingo", when
13 conducted in accordance with the Bingo License and Tax
14 Act;

15 (6) Lotteries when conducted by the State of
16 Illinois in accordance with the Illinois Lottery Law;

17 (7) Possession of an antique slot machine that is
18 neither used nor intended to be used in the operation or
19 promotion of any unlawful gambling activity or
20 enterprise. For the purpose of this subparagraph (b)(7),
21 an antique slot machine is one manufactured 25 years ago
22 or earlier;

23 (8) Raffles when conducted in accordance with the
24 Raffles Act;

25 (9) Charitable games when conducted in accordance
26 with the Charitable Games Act;

27 (10) Pull tabs and jar games when conducted under
28 the Illinois Pull Tabs and Jar Games Act; or

29 (11) Gambling games ~~conducted--on-riverboats~~ when
30 authorized by the Riverboat Gambling Act.

31 (c) Sentence.

32 Gambling under subsection (a)(1) or (a)(2) of this
33 Section is a Class A misdemeanor. Gambling under any of
34 subsections (a)(3) through (a)(11) of this Section is a Class

1 A misdemeanor. A second or subsequent conviction under any
2 of subsections (a)(3) through (a)(11), is a Class 4 felony.
3 Gambling under subsection (a)(12) of this Section is a Class
4 A misdemeanor. A second or subsequent conviction under
5 subsection (a)(12) is a Class 4 felony.

6 (d) Circumstantial evidence.

7 In prosecutions under subsection (a)(1) through (a)(12)
8 of this Section circumstantial evidence shall have the same
9 validity and weight as in any criminal prosecution.

10 (Source: P.A. 91-257, eff. 1-1-00.)

11 (720 ILCS 5/28-5) (from Ch. 38, par. 28-5)

12 Sec. 28-5. Seizure of gambling devices and gambling
13 funds.

14 (a) Every device designed for gambling which is
15 incapable of lawful use or every device used unlawfully for
16 gambling shall be considered a "gambling device", and shall
17 be subject to seizure, confiscation and destruction by the
18 Department of State Police or by any municipal, or other
19 local authority, within whose jurisdiction the same may be
20 found. As used in this Section, a "gambling device" includes
21 any slot machine, and includes any machine or device
22 constructed for the reception of money or other thing of
23 value and so constructed as to return, or to cause someone to
24 return, on chance to the player thereof money, property or a
25 right to receive money or property. With the exception of
26 any device designed for gambling which is incapable of lawful
27 use, no gambling device shall be forfeited or destroyed
28 unless an individual with a property interest in said device
29 knows of the unlawful use of the device.

30 (b) Every gambling device shall be seized and forfeited
31 to the county wherein such seizure occurs. Any money or
32 other thing of value integrally related to acts of gambling
33 shall be seized and forfeited to the county wherein such

1 seizure occurs.

2 (c) If, within 60 days after any seizure pursuant to
3 subparagraph (b) of this Section, a person having any
4 property interest in the seized property is charged with an
5 offense, the court which renders judgment upon such charge
6 shall, within 30 days after such judgment, conduct a
7 forfeiture hearing to determine whether such property was a
8 gambling device at the time of seizure. Such hearing shall
9 be commenced by a written petition by the State, including
10 material allegations of fact, the name and address of every
11 person determined by the State to have any property interest
12 in the seized property, a representation that written notice
13 of the date, time and place of such hearing has been mailed
14 to every such person by certified mail at least 10 days
15 before such date, and a request for forfeiture. Every such
16 person may appear as a party and present evidence at such
17 hearing. The quantum of proof required shall be a
18 preponderance of the evidence, and the burden of proof shall
19 be on the State. If the court determines that the seized
20 property was a gambling device at the time of seizure, an
21 order of forfeiture and disposition of the seized property
22 shall be entered: a gambling device shall be received by the
23 State's Attorney, who shall effect its destruction, except
24 that valuable parts thereof may be liquidated and the
25 resultant money shall be deposited in the general fund of the
26 county wherein such seizure occurred; money and other things
27 of value shall be received by the State's Attorney and, upon
28 liquidation, shall be deposited in the general fund of the
29 county wherein such seizure occurred. However, in the event
30 that a defendant raises the defense that the seized slot
31 machine is an antique slot machine described in subparagraph
32 (b) (7) of Section 28-1 of this Code and therefore he is
33 exempt from the charge of a gambling activity participant,
34 the seized antique slot machine shall not be destroyed or

1 otherwise altered until a final determination is made by the
2 Court as to whether it is such an antique slot machine. Upon
3 a final determination by the Court of this question in favor
4 of the defendant, such slot machine shall be immediately
5 returned to the defendant. Such order of forfeiture and
6 disposition shall, for the purposes of appeal, be a final
7 order and judgment in a civil proceeding.

8 (d) If a seizure pursuant to subparagraph (b) of this
9 Section is not followed by a charge pursuant to subparagraph
10 (c) of this Section, or if the prosecution of such charge is
11 permanently terminated or indefinitely discontinued without
12 any judgment of conviction or acquittal (1) the State's
13 Attorney shall commence an in rem proceeding for the
14 forfeiture and destruction of a gambling device, or for the
15 forfeiture and deposit in the general fund of the county of
16 any seized money or other things of value, or both, in the
17 circuit court and (2) any person having any property interest
18 in such seized gambling device, money or other thing of value
19 may commence separate civil proceedings in the manner
20 provided by law.

21 (e) Any gambling device displayed for sale to a
22 riverboat gambling operation or used to train occupational
23 licensees of a riverboat gambling operation as authorized
24 under the Riverboat Gambling Act is exempt from seizure under
25 this Section.

26 (f) Any gambling equipment, devices and supplies
27 provided by a licensed supplier in accordance with the
28 Riverboat Gambling Act which are removed from a the riverboat
29 or electronic gaming facility for repair are exempt from
30 seizure under this Section.

31 (Source: P.A. 87-826.)

32 (720 ILCS 5/28-7) (from Ch. 38, par. 28-7)

33 Sec. 28-7. Gambling contracts void.

1 (a) All promises, notes, bills, bonds, covenants,
2 contracts, agreements, judgments, mortgages, or other
3 securities or conveyances made, given, granted, drawn, or
4 entered into, or executed by any person whatsoever, where the
5 whole or any part of the consideration thereof is for any
6 money or thing of value, won or obtained in violation of any
7 Section of this Article are null and void.

8 (b) Any obligation void under this Section may be set
9 aside and vacated by any court of competent jurisdiction,
10 upon a complaint filed for that purpose, by the person so
11 granting, giving, entering into, or executing the same, or by
12 his executors or administrators, or by any creditor, heir,
13 legatee, purchaser or other person interested therein; or if
14 a judgment, the same may be set aside on motion of any person
15 stated above, on due notice thereof given.

16 (c) No assignment of any obligation void under this
17 Section may in any manner affect the defense of the person
18 giving, granting, drawing, entering into or executing such
19 obligation, or the remedies of any person interested therein.

20 (d) This Section shall not prevent a licensed owner of a
21 riverboat gambling operation or an electronic gaming licensee
22 under the Riverboat Gambling Act and the Illinois Horse
23 Racing Act of 1975 from instituting a cause of action to
24 collect any amount due and owing under an extension of credit
25 to a ~~riverboat~~ gambling patron as authorized under Section
26 11.1 of the Riverboat Gambling Act.

27 (Source: P.A. 87-826.)

28 (230 ILCS 5/32.1 rep.)

29 (230 ILCS 5/54 rep.)

30 Section 95. The Illinois Horse Racing Act is amended by
31 repealing Sections 32.1 and 54.

32 (230 ILCS 10/11.2 rep.)

1 Section 97. The Riverboat Gambling Act is amended by
2 repealing Section 11.2.

3 Section 100. "An Act in relation to gambling, amending
4 named Acts", approved June 25, 1999, Public Act 91-40, is
5 amended by changing Section 30 as follows:

6 (P.A. 91-40, Sec. 30)

7 Sec. 30. Severability. If any provision of this Act
8 (Public Act 91-40) or the application thereof to any person
9 or circumstance is held invalid, that invalidity does not
10 affect the other provisions or applications of the Act which
11 can be given effect without the invalid application or
12 provision, and to this end the provisions of this Act are
13 severable. This severability applies without regard to
14 whether the action challenging the validity was brought
15 before the effective date of this amendatory Act of the 93rd
16 General Assembly.

17 ~~Inseverability.---The-provisions-of-this-Act-are-mutually~~
18 ~~dependent-and-inseverable.---If-any-provision-is-held--invalid~~
19 ~~ether-than-as-applied-to-a-particular-person-or-circumstance,~~
20 ~~then-this-entire-Act-is-invalid.~~

21 (Source: P.A. 91-40, eff. 6-25-99.)

22 Section 105. The State Finance Act is amended by adding
23 Section 5.595 as follows:

24 (30 ILCS 105/5.595 new)

25 Sec. 5.595. The Illinois Urban Development Authority
26 Fund.

27 Section 995. Severability. The provisions of this Act
28 are severable under Section 1.31 of the Statute on Statutes.

1 Section 999. Effective date. This Act takes effect upon
2 becoming law.".